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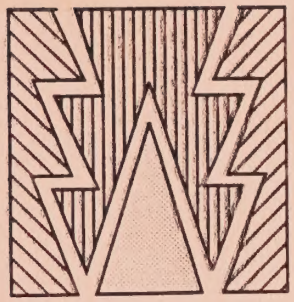

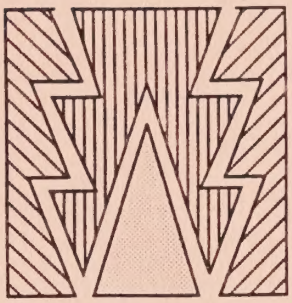

THE CITY OF SANTA BARBARA GENERAL PLAN

HOUSING ELEMENT

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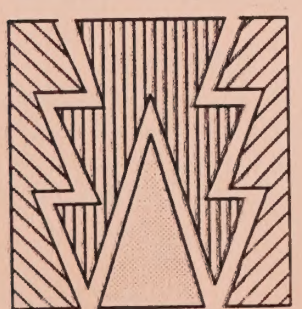


Adopted February 14, 1995

RESOLUTION NO. 95-030

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA ADOPTING AN AMENDMENT TO THE GENERAL PLAN LAND USE ELEMENT AND INCORPORATING THE 1992 HOUSING ELEMENT INTO THE CITY'S GENERAL PLAN

WHEREAS, the adopted comprehensive long-range General Plan for the City of Santa Barbara contains certain statements of policy relative to the physical, economic and social development of the City; and

WHEREAS, California Housing Element Law requires local jurisdictions to update the Housing Element of the General Plan every five years and submit documents to the State Department of Housing and Community Development for review; and

WHEREAS, in January 1992, the City Council designated representatives from City Council, Planning Commission and the Architectural Board of Review (ABR) to convene as the Family Housing Task Force with direction to identify opportunities to encourage affordable family housing that could be acted on immediately as well as long term strategies; and

WHEREAS, the Family Housing Task Force met numerous times during the winter/spring of 1992 to hear input and suggestions from people active in housing development and financing and, on May 27, 1992, released a Report and Recommendations; and

WHEREAS, on June 1, 1992, a complete Draft 1992 Housing Element was released for public review; and

WHEREAS, on June 11 and June 18, 1992, the Planning Commission held public hearings on the Draft 1992 Housing Element and on June 25, 1992, conceptually approved the Draft 1992 Housing Element and made recommendations to City Council; and

WHEREAS, on July 7 and 14, 1992, the City Council held public hearings on the Draft 1992 Housing Element; and

WHEREAS, on July 28, 1992, the City Council held a joint work session with the Planning Commission regarding the Draft 1992 Housing Element and Family Housing Task Force Recommendations; and

WHEREAS, on August 4, 1992, the City Council conceptually approved the Draft 1992 Housing Element, directed Staff to send the Draft Housing Element to the State Department of Housing and Community Development, declared the Draft Housing Element a project for environmental review, initiated a General Plan

Amendment to the Land Use Element related to the City's residential buildout potential and concurred with the Family Housing Task Force Recommendations; and

WHEREAS, on December 1, 1994, a Draft Negative Declaration was released for public review and a public hearing before the Planning Commission was held on December 8, 1994; and

WHEREAS, on January 19, 1995, the Planning Commission held a public hearing and recommended that the City Council adopt the General Plan Amendment incorporting the 1992 Housing Element and amending the Land Use Element discussion on the maximum number of residential units allowed in the City;

WHEREAS, on February 14, 1995, the City Council held a public hearing on the Draft 1992 Housing Element and General Plan Amendment 1-92 and considered the Planning Commission recommendations;

WHEREAS, on February 14, 1995, the City Council considered the Draft Negative Declaration issued for General Plan Amendment 1-92 which included the Draft 1992 Housing Element and Land Use Element Amendment; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT:

1. The General Plan of the City of Santa Barbara is hereby amended to incorporate the Draft 1992 Housing Element, a copy of which is attached to this resolution as Exhibit A, and to delete the 1985 Housing Element; and

2. The General Plan of the City of Santa Barbara is hereby amended to revise the Land Use Element, Section II, Principles and Goals and Section III, Private Land Uses discussion on the number of residential units allowed, a copy of which is attached to this resolution as Exhibit B.

Adopted February 14, 1995

GENERAL PLAN AMENDMENT 1-92

Text Amendment to the Land Use Element, Section II, Principle and Goals, City Character and Quality Goals. Existing text with new text shown underlined.

Continue the policy of neither encouraging through incentives nor discouraging by penalties cluster and planned unit developments in single-family areas with the exception of encouraging affordable housing developments which, when consistent with Section 28.87.400 of the Zoning Ordinance and State law, shall be granted up to 25% bonus density units when required by State law.

Text Amendment to the Land Use Element, Section III, Private Land Uses, Residential Areas. Existing text with new text shown underlined.

While such special residential development procedures may be desirable in certain situations, incentives in the form of increased maximum-allowable densities should be avoided. The total number of dwelling units allowed under special development regulations should not exceed those obtainable on the land through standard subdivision procedures, with the exception of affordable housing developments which shall be granted up to 25% bonus densities when required by State law.

Residential Buildout Potential

In the 1970's, when the City was zoned for a residential buildout of 35,000 dwelling units, it was assumed that the existing residential units in the commercial zones of the City would convert to commercial uses. In the early 1980's however, it was recognized that the loss of these residential units to commercial development was occurring at a rapid pace thereby reducing the City's housing supply. The loss of generally affordable housing in the Downtown area was considered to have a negative effect on the City's housing supply. After considerable discussion and study of the issue, the 1982 Housing Element policy 3-1.0 concluded that "The City shall protect and preserve residential housing stock including areas undergoing transition as a result of commercial expansion." Since that time, other policy decisions have been made to further reinforce this policy of preserving existing units in the commercial zones in and around Downtown.

Also during the 1970's, the City revised the Zoning Ordinance to allow the use of variable density in the R-3 and R-4 zones. The variable density ordinance calculates densities by the number of bedrooms per unit and increased the theoretical maximum buildout in the R-3 and R-4 zones. As a result of these policy decisions, in the 1985 Master Water Plan, the theoretical maximum residential buildout for the City was recalculated to include

residential units in commercial zones and variable density units. It was estimated to result in approximately 40,000 units for all areas within existing City boundaries and zoning.

During public review and discussion of the Draft 1992 Housing Element, concern was raised about whether additional residential development will be allowed to occur after the units allowed by existing zoning have been developed. It was decided to include an implementation strategy in the 1992 Housing Element requiring the City to begin public discussions of future residential development in the City when the number of units reaches 39,000. This 39,000 unit threshold includes all units that may be added to or developed in the City as a result of annexations.

Questions were also raised during public discussions of the Draft 1992 Housing Element as to whether the theoretical buildout of 40,000 dwelling units included buildout of the unincorporated areas of Las Positas Valley and Hope/La Cumbre. Since 1971, the City's General Plan has encouraged the annexation of the unincorporated islands of territory that lie within the existing City boundaries in these areas. This policy has been reiterated over time in amendments to the General Plan, the Housing Element and the General Plan Update. The theoretical maximum residential buildout of 40,000 units was estimated based on parcels located in the City in 1985. Residential buildout of the unincorporated areas was not included in calculating the 40,000 unit maximum.

1992 HOUSING ELEMENT

CITY OF SANTA BARBARA

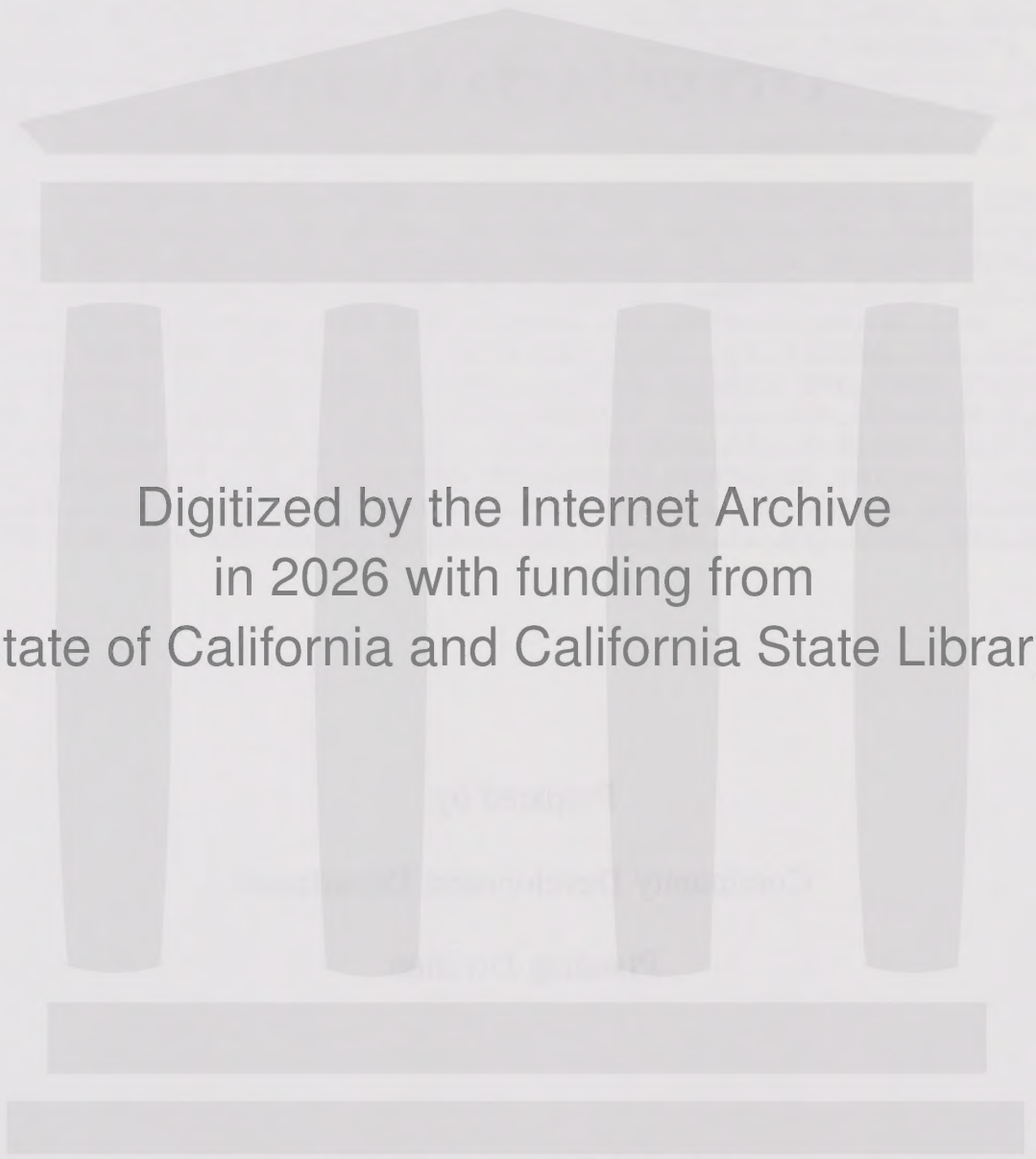
Prepared by

Community Development Department

Planning Division

Adopted February 14, 1995

Exhibit A to Resolution No. 95-030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EXECUTIVE SUMMARY

PURPOSE

The Housing Element of the General Plan assesses the housing needs of all economic segments of the City. In addition, the Housing Element defines the goals and policies which will guide the City's approach to meet those needs and establishes a Five Year Work Program containing strategies to implement housing policies in the City. In effect, it is the City's policy document and road map for addressing housing needs.

State law requires that all cities revise and adopt a Housing Element every five years. This Housing Element responds to the State content requirements while also responding to the special characteristics of the City's housing environment. This Housing Element is a completely new document containing goals and policies that reflect the changing physical, demographic, environmental and policy context of Santa Barbara.

This Executive Summary highlights some of the major changes that have occurred since the preparation of the 1985 Housing Element Addendum and includes a summary of the housing opportunities and policies contained within the element.

BACKGROUND

The existing imbalance between commercial development and residential opportunities within the incorporated area of the City of Santa Barbara is a result of a long standing accepted pattern of growth. Historically, the City acted as the economic and employment center for the region. The City provided jobs, was the seat of government, the location for major institutions and the retail center for the County. The housing needs of those employed in the City were traditionally supplied by residential development of the surrounding non-urban, unincorporated areas.

In 1975, the Planning Commission recommended balanced growth management for both the residential and commercial sectors. Only the residential portion of the issue was addressed.

While residential development continued, the supply of affordable residential opportunities did not meet the demand for housing created by an influx of employees caused by an increase in commercial development. The relationship between the number of jobs and the number of housing units in the City became known as the "jobs/housing balance."

The evolution of policies addressing a comprehensive growth management system with a focus on achieving a jobs/housing balance within available resources resulted in the General Plan Update and Measure E. In 1989, the voters approved Measure E, which included a 3 million square foot limit on commercial development through 2009. It is beyond the City's

ability to make up for the historical pattern of growth which resulted in the existing jobs/housing imbalance. The City is making efforts to reduce the imbalance and the 1989 General Plan Update attempts to create balance between new jobs and new residential opportunities. If full residential buildout is achieved, the City's next increment of commercial growth will be balanced with residential opportunities in the City. However, two factors related to the jobs/housing balance should be noted: employment opportunities outside of the City may continue to grow; and employees do not necessarily choose to live in the same jurisdiction in which their work is located. Both these factors contribute to the job/housing balance.

At this time, the General Plan envisions a buildout of approximately 40,000 dwelling units and 3 million square-feet of additional commercial development through 2009. The General Plan now supports a residential buildout level based on the following components:

- full buildout of existing residential potential in residentially zoned areas,
- the preservation of existing residential opportunities in commercial zones, and
- residential development within a mixed use context in the downtown.

1990 CENSUS DATA

The 1990 census has provided vital new information relating to the City's demographic characteristics as well as housing needs and supply. Some highlights from the 1990 census findings include:

Total Population	85,571
Median Age	34.0
Average Household Size	2.41
Median Household Income	$33,667
Number of Persons Living Below Poverty Level	10,588 (13%)
Total Number of Housing Units[1]	36,266
Percent Owner/Renter Occupied	42% / 57%
Median Owner Occupied Home Value	$347,000
Median rent per month	$715

1

The 1990 census also provides information on the amount of monthly household income spent on housing costs. This data is provided separately for rental and owner occupied housing units. The census found that over half (53%) of all homeowners spend less than 20% of their

[1]This number may include illegal dwelling units.

household income on housing costs, but only 19% of all renters spend less than 20%. While roughly a third (31%) of all homeowners spend 30% or more of their household income on housing, over one half (54%) of all renters spend 30% or more. The high percentage of renter household income spent on rent reduces renters' ability to save and become homeowners, as well as to support other living costs and allow for discretionary purchasing power.

There is an indication that the quality of life in renter households is declining for an increasing portion of the renter population. In 1980, 6.9% of all renters lived in overcrowded conditions. (See Glossary of Terms for the definition of Overcrowded Conditions.) By 1990, that number had increased to 15.3 percent. (20% of California's rental housing is overcrowded, nearly double the 1980 rate of 11%.) It is difficult to isolate a single cause for this rise. However, the increase in housing costs and the unmet need for affordable housing are likely factors. (See Glossary of Terms for the definition of Affordable Housing.)

Income is an obvious contributor to a household's ability to afford either rental or home ownership housing in Santa Barbara. Overall, the number of jobs in the City increased from 37,315 in 1980 to 46,765 in 1990, a 25.3 percent increase. This statistic confirms the role of Santa Barbara as a major employer in the South Coast Region. Unfortunately, the increase in jobs in the City served to further an existing imbalance between the supply of jobs and demand for housing.

Employment by occupation data provide additional information about the composition of the City's labor force and can be used as an informal indicator of economic trends. Contrary to the general economic trend of increasing service sector employment, the percentage of workers in service related occupations has remained static, decreasing slightly from 15% (5,584) of the total labor force in 1980 to 14.4% (6,733) in 1990. Employment in crafts, trades and clerical related occupations also decreased slightly from 1980 to 1990 while employment in the professional, technical and managerial sectors of the economy increased.

Recently released household income data indicates that the median household income in Santa Barbara increased from $15,445 in 1979 to $33,667 in 1989. Without adjusting for inflation, a comparison of these figures is misleading. However, the Census does provide adjusted information on the number of households living at or below the poverty level. The 1980 Census reported that in 1979, 11% of the population (8,026 persons) were living at or below the poverty level. The 1990 Census reported that by 1989, the number had increased to 10,588 persons or 13% of the population living at or below the poverty level.

The Needs Assessment section of this Housing Element provides more detail and analysis of the demographic and housing characteristics of the City. The strategies contained in the Five Year Housing Program have been developed to address the identified housing needs.

CHANGES IN CITY POLICY SINCE 1985

Since completion of the 1985 Housing Element Addendum, the City has completed a comprehensive General Plan Update. During this process, it was recognized that previous policies had resulted in a large unmet demand for housing that could not be remedied. This process resulted in a series of decisions to prevent worsening conditions by balancing the next increment of commercial growth (3,000,000 square feet from 1989 to 2009) with an accompanying increase in housing units. It was determined that the Zoning Ordinance standards would allow a total of 40,000 residential units in the City and that this buildout (see Glossary of Terms for the definition of Buildout) would achieve the desired goal of attaining a jobs/housing balance within the next increment of non-residential growth. At the conclusion of the General Plan Update, the City endorsed a series of high priority strategies to encourage residential development. The strategies that have yet to be implemented have been incorporated into this 1992 Housing Element and are contained in the Five Year Housing Program.

A major constraint to development in the City of Santa Barbara over the last five years has been the lack of an adequate water supply to meet existing and projected needs. In 1986, the City adopted an Ordinance restricting new development if it resulted in increased water demand. This had a significant effect on residential development. In March 1992, following a wet winter and the initiation of several major capital improvement projects to address the City's water shortage, including a permanent desalination plant and a pipeline for State Water, the City Council suspended the Long Term Water Ordinance. This step removed a major constraint to the development of new housing in the City. At the time the Ordinance was suspended, over 1,000 residential units were on the waiting list for a water allocation. All projects may now move forward in the review process without the need for a water allocation.

In the area of preservation of existing housing resources, it is important to highlight the adoption of a Housing Mitigation Ordinance which requires that any new commercial development mitigate its housing impact by providing housing to meet its demand, and requires the preservation or replacement of existing residential units in commercial zones. This ordinance resulted from the General Plan Update and Charter Section 1508 which called for the protection of existing units threatened by commercial development. The Ordinance requires on-site replacement of all residential units that are subject to conversion or demolition as a result of any project involving 1,000 square feet or more of new commercial

development. This is a major accomplishment in the effort to preserve existing housing in the City.

HOUSING NEEDS

The Needs Assessment section of this Housing Element describes the range and magnitude of housing needs in the City. In general, the City needs more housing that is available and accessible to low and moderate income rental and home ownership households. The additional housing is needed to meet the existing need as well as the new housing demand that will result from the 3,000,000 square feet of nonresidential development allowed through the year 2009.

Additionally, the Regional Housing Needs Plan prepared by Santa Barbara County Association of Governments in 1992 estimates the City's fair share of the regional housing construction needs to be an additional 2,418 units for the planning period of 1990-1997.

HOUSING SUPPLY

The 1990 Census identified 36,266 existing housing units in the City (this number may include illegal dwelling units.) This was an increase of 2,341 (7%) from 33,925 units in the 1980 census count. Another source of information on the supply of housing in the City comes from Building Permit data which identifies the new housing starts per year. From 1980 to 1990, 2,483 Building Permits were issued for residential development. As would be expected, the Building Permit number is higher than the 1990 census unit count. The difference is due to Building Permits that have been issued for units that had not been completed as of the census date, April 1, 1990.

ACCOMPLISHMENTS SINCE 1985

A required section of the Housing Element is an evaluation of the policies and strategies contained in the 1985 Housing Element Addendum. Highlights of accomplishments from the 1985 implementation program include:

- **Convened a Family Housing Task Force that developed recommendations for improving and expanding housing opportunities for families.**

- **Implemented a Housing Mitigation Program that requires mitigation for all nonresidential housing impacts.**

- **Completed the Transitional Area Rezone Study and subsequent actions to protect existing residential housing from conversion to commercial use.**

- **Maintained a low interest rehabilitation loan program. Approximately 50 units per year are preserved and improved.**

- **Assisted the tenant purchase of two Mobile Home Parks.**

- **Assisted in the development of approximately 75 units a year (either built or acquired) for permanent affordability to low and moderate income households.**

- **Used a revolving loan fund to produce approximately 70 affordable dwelling units per year.**

The City has also been acknowledged for its efforts in developing affordable housing. In a report published by the California Coalition for Rural Housing entitled Local Progress in Meeting the Low Income Housing Challenge, the City of Santa Barbara is identified as having produced 678% of its requisite lower income units. The City was also recognized in a book published by the Lincoln Institute of Land Policy and written by Madelyn Glickfield and Ned Levine entitled Regional Growth...Local Reaction: The Enactment and Effects of Local Growth Management and Control Measures. Their research found that the City of Santa Barbara has produced 698% of its identified low income housing need.

HOUSING GOALS AND IMPLEMENTATION STRATEGIES

This 1992 Housing Element contains goals, policies and implementation strategies to meet the City's housing needs, achieve a jobs/housing balance for the next increment of growth (recognizing that it is unlikely that the current imbalance between jobs and housing can be rectified), and provide the City's regional fair share of housing. The overall goal of the City is to ensure that decent, safe, and sanitary housing is available. The City will make every effort to provide adequate housing and a healthy living environment for all social and economic segments of the community and will encourage a variety of individual choices of type and location of housing throughout the community while striving to maintain a high quality of life. The goals of the Housing Element are to:

- Ensure a Range of Housing Opportunities
- Conserve and Improve the Existing Housing Stock
- Balance Jobs with Housing Opportunities
- Assist in the Production of New Housing
- Reduce Governmental Constraints
- Promote Regional Cooperation
- Expand Public Education Regarding Housing Needs

The Housing Element contains over 130 strategies developed to implement these goals. The strategies include a variety of approaches involving both the public and private sectors. A range of techniques is proposed in areas such as land use incentives, financial resources, information/education and

support programs. A work program for implementation of these strategies is also included.

In conclusion, it takes more than adoption of a Housing Element with strong public policies for there to be a meaningful response to the community's housing needs. While the City can continue to fund services and finance rehabilitation and new construction activities, these efforts must be supported by the community and complemented by private sector efforts. Furthermore, additional financial resources from the State and Federal governments are needed to support activities for those in our community who are most in need.

SECTION I

INTRODUCTION

OVERVIEW

Each city in the State of California must have an approved General Plan to guide its development. One of the required Elements of the General Plan is the Housing Element. It is an important planning guide to local jurisdictions; it identifies the housing needs of the City and recommends ways to meet these needs while balancing community objectives and resources.

State law requires that the Housing Element be revised as appropriate, but not less often than every five years. State law also set the deadline for adoption by each jurisdiction for the two most recent Housing Elements: January 1, 1986 and July 1, 1992. Santa Barbara's first Housing Element was adopted in 1982. This Element was updated in early 1986. That document, the Housing Element Addendum 1985 Update, was intended to be used in conjunction with the 1982 Housing Element. While the 1992 Housing Element will be based on both previous documents, it will replace them and will stand on its own.

CONTENTS

The Housing Element identifies needs, establishes goals, policies and quantified objectives, and recommends actions to address those needs from 1992 to 1997. Although statutory requirements shape the contents of the Element, the special setting and capabilities of the City of Santa Barbara form the basis for all components of the Housing Element.

The Housing Element consists of 8 sections. The first section summarizes the requirements that a Housing Element must meet. Those requirements are a composite of State statutes and pertinent case law. The first section also describes the information sources used to prepare the Element and the need to insure consistency with the City's General Plan.

The second section reviews the history of residential development potential over the previous 17 years and specifically discusses a section of the General Plan Land Use Element which is referred to as the 85,000 population goal. The adoption of the 85,000 population goal was a critical policy at the time it was approved. Since its inclusion in the General Plan, many circumstances and policies related to this goal have changed. The evolution of the "85,000 population goal," as well as its relevance in 1992, is reviewed in this section.

The third section provides an assessment of the City's housing needs through a market analysis and an identification of the special and regional housing needs. The needs assessment quantifies the problems of housing,

especially the need to address housing affordability. The state mandated discussion of affordable housing units that are at risk of converting to market rate units is in this section.

The fourth section consists of a discussion of both governmental constraints such as land use controls, fees, the development review process, and energy conservation regulations, and nongovernmental constraints such as cost of land, construction and financing.

The fifth section provides an assessment of housing production opportunities such as vacant and underdeveloped land, mixed use, variable density, bonus density and annexation opportunities. Development of housing through these various opportunities will assist Santa Barbara in meeting its share of the regional housing need and improving the balance between jobs and housing.

The sixth section is an evaluation of the prior Housing Element and the progress made by its adopted housing strategies. The evaluation assesses previously adopted strategies and uses the results of this assessment to develop the recommended strategies for this Housing Element.

The seventh section identifies the goals, policies, strategies and quantified objectives for housing during this planning period. Strategies that respond to the needs, and implement the goals and policies are also identified in this section. The strategies are organized into a format that identifies the action to be undertaken, its anticipated effect on housing supply, the responsible agency, financing and schedule. The City is committed to providing for the housing needs of all economic levels in the community, but especially for the low and moderate income population. To provide for its housing needs, the City has dedicated substantial resources to insure adequate progress on a wide range of programs. The City has strategies to enhance the construction of new housing, strategies to conserve affordability, strategies for rehabilitation and strategies for supportive and administrative responsibilities.

The eighth section consists of the five year work program, which sets forth the schedule, responsible agency, time to complete, budget estimate (if not included in existing levels of service), anticipated outcomes and funding sources for each strategy.

The ninth section fulfills special requirements for coastal communities such as Santa Barbara. This section reports the number of dwelling units that have been constructed or demolished in the coastal zone.

STATE LAW

The preparation of the Housing Element is guided by State law, Chapter 10.6 of the Government Code. The law governing the contents of

Housing Elements is one of the most detailed of all laws related to general plans. According to Section 65583 of the Government Code,

> "The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing and shall make adequate provision for the existing and projected needs of all economic segments of the community."

The assessment of housing needs must include seven areas of analysis: existing and projected housing needs for all income levels (including the city's share of the regional housing need), demographic and housing characteristics, identification of sites for residential development, governmental and nongovernmental constraints, special housing needs, and energy conservation.

The second major component of a Housing Element that the law requires is "a statement of the community's goals, quantified objectives, and policies relative to the maintenance, improvement and development of housing" (Section 65583(b)). The law recognizes that the needs will likely exceed the resources and a city's ability to meet the needs. Each city must, however, "establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over a five year time frame" (Section 65583(b)).

The final component that must be included in a Housing Element is "a program which sets forth a five year schedule of actions...to implement the policies and achieve the goals and objectives of the Housing Element" (Section 65583(c)). This program must do several things: identify potential housing sites "for all income levels, including rental housing, factory built housing, mobile homes, emergency and transitional housing;" assist in meeting the housing needs of the low and moderate income population; address governmental constraints that impact housing; conserve and improve existing affordable housing; and promote equal opportunities for housing.

CASE LAW

Decisions by U.S. and State courts have provided specific interpretations of the laws related to housing. The importance of the Housing Element has been reinforced by the courts, especially in California where landmark decisions have been made.

Associated Home Builders Etc., Inc. v. City of Livermore (1976) established the need to deal with housing in a regional context; Buena Vista Garden Apartment Assn. v. City of San Diego Planning Dept.

(1985) asserted that a city's Housing Element must be in substantial compliance with the state law; and Pacifica Corp. v. City of Camarillo (1983) reaffirmed the court's recognition and protection of citizens' power of initiative in cases where initiatives are reviewed for consistency with elements of the general plan, including the Housing Element.

Although many cases could be cited, the purpose of this section is not to provide a legal overview of housing case law, but to emphasize the importance of the Housing Element in potential litigation. This point will become increasingly important as the courts review legal actions brought against cities. The relationship of the Housing Element to other elements of the general plan (especially land use) and development/growth control measures will come under close scrutiny by the courts. It is important that consistency with other elements of the General Plan is maintained in the Housing Element. It is important to note that both State law and case law are subject to change, and this Housing Element was prepared in accordance with regulations in effect at time of drafting.

SOURCES OF INFORMATION

The 1992 Housing Element Update is based upon the most current information that was available at the time of preparation. The most detailed and accurate data base is the 1990 Census. The following sources are used: 1960, 1970, 1980 and 1990 Censi from the U.S. Department of Commerce, Bureau of Census; 1992 Population and Housing Estimates from the State Department of Finance; Forecast 89 from the Santa Barbara County Association of Governments (SBCAG); 1990 Real Estate Information from the Board of Realtors; 1990-1997 Regional Housing Needs Plan from SBCAG.

GENERAL PLAN CONSISTENCY

The California Government Code requires that general plans contain an integrated, internally consistent set of policies. When any one element of the General Plan is revised, and especially when new policies and priorities are proposed, the other elements must be reviewed and possibly updated to ensure that internal consistency is maintained. Part of the process of preparing this Housing Element has been review and consideration of all General Plan Elements.

The Housing Element Update must be consistent with the rest of the General Plan because housing must be viewed in a context that includes more than adequate shelter. The housing unit includes direct and indirect services as an integral part of the structure; external factors including the quality of public services, aesthetics and visual characteristics, and proximity to related land uses affect the adequacy of housing. For example, one's house includes the use of the school, park, library, police, fire and other services associated with that unit at its particular location.

CITIZEN PARTICIPATION

The adoption of the Housing Element requires an opportunity for participation of citizens of all economic ranges. "The local government shall make a diligent effort to achieve public participation of all economic segments of the community..." (Section 65583(c)). All Planning Commission and City Council meetings where the Housing Element was discussed were public meetings which exceeded the City's procedures for notice and outreach to the community. Display ads were published in the *Santa Barbara News-Press* and notices were mailed consistently to interested groups and individuals.

In addition to Planning Commission and City Council meetings, the City assembled the Family Housing Task Force. This Task Force consisted of members of Council, the Planning Commission and the Architectural Board of Review, and met 12 times over the course of four months to discuss strategies and incentives to produce affordable family housing and to examine current development standards to determine whether they are appropriate. The recommendations that were made by the Family Housing Task Force were incorporated into a report that was circulated with the Draft Housing Element.

In February 1992, the Planning Commission and the Family Housing Task Force invited guest speakers from a variety of economic and housing interests to participate in panel discussions regarding the housing needs of special needs groups such as the homeless, seniors, disabled, and low and moderate income households. The input from these four panel discussions led to major portions of the Special Needs discussions and numerous policies and strategies. Other panels discussed governmental constraints to the development of affordable housing and possible ways to make mixed use developments more attractive to lenders. These two panel discussions added an important layer of input to the Constraints and Goals, Policies and Strategies sections of the Housing Element.

In addition to these steps, the City distributed drafts of the Housing Element Update to participants on the panel discussions and all other interested members of the public so that all segments would have an opportunity to participate in the Element's preparation. Copies were made available at City Hall, libraries and community centers. Special distribution to interested community groups and housing advocacy groups insured a wide range of opportunities for input.

SECTION II

HISTORY

INTRODUCTION

In 1964, the City's first General Plan was adopted. This General Plan reflected the buildout potential under the existing zoning; in excess of 100 million square feet of nonresidential development and a potential residential population of between 140,000 and 170,000. Following adoption of the General Plan, community concern began to grow regarding the effects which that amount of buildout may have on the community and the ability of the City to provide resources to support that amount of development.

In 1971 the City of Santa Barbara Goals report was completed and called for:

1) An ultimate population and number of dwelling units that must not exceed the level provided for by the General Plan;

2) Comprehensive studies to determine the effect of this population density on people from the standpoint of all environmental, social, economic and cultural factors; and

3) Reduction of maximum density to ensure the community a physically, mentally and morally healthful environment, based on the studies.

THE IMPACTS OF GROWTH STUDY

As a result of this report, the Impacts of Growth Study was completed in 1975. The IGS concluded that significant effects on the quality of life would occur if population increased to the then theoretical buildout (140,000 - 170,000) because the City would not have the resources to maintain the population at theoretical buildout. The IGS indicated that housing market intervention (residential downzoning) should be coupled with labor force intervention (commercial downzoning) in order to have successful growth management. In addition, the IGS stated that the City needed to pursue, "...positive programs to satisfy the demand for low and moderate income housing beyond the bare minimum required by law..."

RESIDENTIAL DOWNZONING ADOPTED BY COUNCIL

In April 1975, the City Council determined that 85,000 people would be an optimum population level for the City. This was the number that could be sustained by existing resources, such as water supply and traffic & air basin capacities. Amendments to both the General Plan and the Zoning Ordinance were adoped which would be consistent with the 85,000 population goal. Based on a household size of 2.58, the General Plan was amended to reflect a holding capacity of approximately 33,000 dwelling units in residential zones. However, the companion rezoning as enacted

actually allowed a potential buildout in the residential zones of approximately 35,000 units. In 1977, "Land Use Zones Analysis," an analysis of the effects of the downzoning was completed. It confirmed that buildout at 90% saturation allowed up to 35,000 dwelling units.

The 1975 downzoning was the initial step towards a concept which was later referred to as "living within resources." The concept of "living within resources" calls for a population and buildout level consistent with the City's water supply, traffic and parking capacity, sewage treatment capacity, air quality, etc., which maintains the high "quality of life" that Santa Barbarans presently enjoy.

The rezoning included Planning Commission recommendations for densities in multiple family zones of 12 units/acre, with special provisions for up to 25 units/acre for senior housing, low income families, small families and single persons. The rezoning was based on the expectation that all residential uses in commercial zones would convert to nonresidential uses.

The Impacts of Growth Study also recommended initiating a commercial downzoning which did not occur at that time.

ADVISORY BALLOT MEASURE REGARDING 85,000 POPULATION GOAL

In July 1975, the environmental document (Negative Declaration) for the residential downzoning was challenged. In response to the challenge, an Environmental Impact Report was prepared. In March 1977, Proposition A, a two part advisory measure was put on the ballot to give Council the opinion of the voters regarding the downzoning.

Proposition A-1 asked if the voters supported the General Plan and Zoning Ordinance policies made by the Council which would limit the population of the City to approximately 85,000 people when the City is completely developed. 11,738 voted Yes; 7,110 voted No.

Proposition A-2 asked, "Should any changes in the City's General Plan and Zoning Ordinance which would permit the City's population to exceed 85,000 persons be approved by the voters?" 10,953 voted Yes; 7,331 voted No. Based on the outcome of Proposition A, the Council certified the Environmental Impact Report and upheld the 1975 downzoning.

VARIABLE DENSITY ORDINANCE

Later, it was realized that the downzoning had created a bias in the Zoning Ordinance that made it more profitable to build large units than small ones and that the City was "losing" smaller, more affordable units. In addition, commercial development increased while residential development did not. In order to reverse this trend, in 1977 the City adopted an amendment to the Zoning Ordinance, which is referred to as the Variable Density Ordinance. This Ordinance allows densities based

on the number of bedrooms/acre in multifamily zones; the highest density can be achieved with studios, the lowest with three or more bedroom units. The Variable Density Ordinance only applied to the R-3 and R-4 zones. In commercial and industrial zones, properties were allowed residential densities equivalent to those of the R-2 zone (generally one dwelling unit/3,500 square feet of lot area).

An analysis of the Variable Density Ordinance was performed regarding the effect it would have on the total population and the number of housing units in the residential zones. There was a wide range of populations that could occur under the Variable Density Ordinance. The potential population of the residential zones in the "low" scenario was in the mid-70,000's. The potential population of the residential zones in the "medium" scenario was in the 85,000 range. "High" was the scenario where there was the greatest amount of change from existing land use patterns; i.e., population and number of housing units were maximized. The potential population of the residential zones in this scenario rose to the mid-90,000's. After an analysis was completed showing that the population could increase beyond 85,000 if the persons per household figure increased over time, the City Council adopted the Variable Density Ordinance because of the great need for smaller, more affordable dwelling units.

HOUSING AND COMMERCIAL ASSESSMENT STUDY

By 1980, commercial development was outpacing residential development. The transition of existing residential uses to nonresidential uses was an increasing trend in the commercial zones surrounding downtown. At the request of the Environmental Review Committee, the City Council initiated the 1980 Housing and Commercial Assessment to identify housing in commercial areas surrounding downtown ("Transitional Areas"). The Housing and Commercial Assessment study identified 4497 dwelling units located in commercial zones. The Housing and Commercial Assessment recommended that certain areas of existing residential development be rezoned to residential in order to preserve up to 2,000 units and create opportunities for up to 800 more. Only three of the recommended rezones were completed, for a net gain of about 450 dwelling units.

RESIDENTIAL DENSITY REPORT

At the direction of the City Council, in 1980, the Residential Density Report was prepared. The report reviewed the history of the 85,000 population goal, as well as constraints and opportunities for increased density. The report recommended that the City provide special means of achieving affordable housing and recommended various means of increasing density within the City. The Residential Density Report recalculated the residential buildout allowed by zoning to include the additional Variable Density units and estimated that 36,748 dwelling units would be allowed by the existing Zoning.

DENSITY RESERVE

In 1981, the results of the 1980 Census were released. Based on this information, the new theoretical maximum number of potential dwelling units increased from 33,000, as indicated in the General Plan, to 38,288. This increase was due to the fact that the persons per household figure in the Census had decreased from 2.58 to 2.22. (85,000 ÷ 2.58 = 32,946, 85,000 ÷ 2.22 = 38,288). Based on the smaller household size, 38,288 units could be built before reaching the 85,000 population goal.

Since 38,288 units was the theoretical maximum allowed under the 85,000 goal, and 36,748 units were allowed by the Zoning Ordinance, the difference became the Density Reserve, from which all bonus density units (as required by State law) were allocated. The Density Reserve, and its use as the source of bonus density units, was formalized in the 1982 Housing Element.

1982 HOUSING ELEMENT

The City's Housing Element adopted in 1982, examined population and housing characteristics of the City setting goals and policies by which the City would attempt to provide housing for all income groups. The need for housing, especially affordable housing, was growing, and the need to balance jobs and housing became a major concern. The recommendations from both the Housing and Commercial Assessment and the Residential Density Report became formalized as goals and policies of the Housing Element:

Goal #2: Balance new housing demand from a diversity of social and economic groups with available and affordable housing opportunities.

Policy 2-1.0: Developments generating new employment from outside the South Coast Area shall be in balance with available housing resources at prices affordable to the projected new employees who will be moving into the area.

Goal #3: Preserve the City's existing housing stock while minimizing displacement, maintaining housing affordability and preventing future blight or deterioration. Protect existing neighborhoods by preserving their residentially oriented conveniences and services.

Policy 3-1.0: The City shall protect and preserve residential housing stock including areas undergoing transition as a result of commercial expansion.

Implementation Strategy 3.1-1:
Implement the recommendations of the Housing and Commercial Assessment Study, 1980.

An Environmental Impact Report (EIR) was prepared for the 1982 Housing Element. The EIR contained a discussion of the effects of policies of the Housing Element on the 85,000 population goal. The EIR stated:

> "The number of persons currently or potentially residing in nonresidential areas was unknown and not included in [the Impacts of Growth] study. Thus two variables influence whether the existing General Plan and Zoning actually do limit the population to any specific number. First, the component of 2,580 existing residential units and all possible future dwelling in the nonresidential areas was not included, therefore the 85,000 limit could be breached if these areas remain residential while the rest of the City's residentially zoned areas built out...Second, because the number of persons per dwelling unit varies, setting the allowable number of dwelling units by zoning does not automatically control the number of occupants..." (pg. 32)

The EIR concluded that the following impacts would occur:

> "a. The population accommodated in the City would exceed the established 85,000 limit by 2,068...This increase in population is attributable to the retention of residential uses in the Housing and Commercial Assessment (HCA) study which would have been converted to commercial as provided for by existing policy...
>
> b. The preservation of 2,568 existing dwellings in the HCA study area would retain 5,752 residents, who would have been dislocated on continuation of previous policy...
>
> c. ...[The policies of the 1982 Housing Element result in] a 77% population reduction from the "No Project" alternative...the impacts of not implementing the Housing Element are more severe than those associated with implementing it." (pg. 179)

MEASURE K - CHARTER SECTION 1507

At about the same time that the Housing Element was being adopted, the Council established a Charter Committee to incorporate the 85,000 population goal into the City Charter. It was determined that a population goal was too specific and legally could not be incorporated into the Charter. The result of the Charter Committee's discussions was a ballot

measure, Measure K, which proposed a Charter Amendment mandating that the City "live within resources," although those exact words were not used. Measure K declared that:

> "...land development shall not exceed its public services and physical and natural resources...All land use policies shall provide for a level and balance of residential and commercial development which will effectively utilize, but will not exhaust, the City's resources in the foreseeable future..."

Measure K was approved by 60% of the voters and incorporated into the City Charter as Charter Section 1507.

MASTER WATER PLAN

The Master Water Plan, released in 1985, reanalyzed the City's existing and projected water supplies, and assessed current and projected water demands. It identified four land use scenarios ranging from no growth to full buildout of the commercial and residential zones and identified a potential supply/demand imbalance associated with impacts of new development in the four scenarios. The Master Water Plan determined that the existing and projected water supplies would be sufficient to support approximately 3 million square feet of new nonresidential development and full buildout of residential potential under existing zoning of approximately 40,000 units.

1985 HOUSING ELEMENT ADDENDUM

Policies in the 1985 Housing Element Addendum paralleled those of the 1982 Housing Element, with emphasis on preserving units within the commercial zones and creating additional residential opportunities.

GENERAL PLAN UPDATE

In 1982, the technical studies that became the background material for the General Plan Update were initiated. The General Plan Update Public Participation Process, which included extensive public participation forums, began in 1988 and culminated in 1990 with the adoption of amendments to the General Plan and Zoning Ordinance which:

- reduced commercial development potential;
- recognized residential needs as the highest priority;
- limited development based on Master Water Plan scenario B-1, which assumed 40,005 dwelling units;
- established mixed use development as a high priority implementation strategy to provide additional dwelling units;
- determined that the Transitional Areas must be studied and plans prepared to preserve existing dwelling units; and
- established High Density Residential in the Downtown area as a high priority implementation strategy to provide additional dwelling units.

The General Plan Update concluded with a decision to limit commercial development and to balance jobs and housing opportunities within the next increment of growth. These growth decisions were the same as the conclusions that were reached over a decade earlier in Impacts of Growth, but had never been fully implemented.

MEASURE E, CHARTER SECTION 1508

The City Council placed the nonresidential growth limitation before the voters as ballot Measure E in 1989. 55% of the voters approved Measure E, which was incorporated into the City Charter as Charter Section 1508.

In addition to the nonresidential growth limitations, an interim restriction on the demolition and conversion of existing residential units in commercial zones was included in the Charter Amendment. The purpose of this restriction was to preserve existing units in commercial zones until long term policies could be adopted for residential preservation and replacement.

The City is proceeding with the implementation of the General Plan Update and Charter Section 1508. The General Plan Update implementation involves enacting the commercial growth limitations as well as completing a variety of strategies aimed at preserving existing residential uses in commercial zones, encouraging the full buildout of residential opportunities in residential zones and supporting, where appropriate, new residential opportunities in commercial zones.

1990 CENSUS

The 1990 Census indicated that the population in Santa Barbara was 85,571, and over 36,000 dwelling units existed in the City. The State Department of Finance population estimate for the City of Santa Barbara was 87,379 on January 1, 1992.

CONCLUSION

In the 1970's, the planning challenges focused on establishing a residential buildout potential which would be consistent with the resources of the community and which would maintain its high quality of life. This was accomplished by limiting the buildout in residential zones. Focus in the 1980's was on managing the commercial growth to keep buildout within the community's resources.

The current challenge is to provide the residential opportunities to meet the housing demands of that limited commercial buildout potential and address the housing needs of existing residents.

SECTION III

NEEDS ASSESSMENT

SUMMARY

This chapter provides a comprehensive analysis of the City's housing needs and includes several subsections.

- The City profile identifies the context for the assessment as well as for the rest of the Housing Element;
- The market analysis summarizes the supply and demand characteristics of the City;
- Additional analysis includes the identification of regional housing needs including low income;
- A discussion of the needs of special housing groups; and
- An analysis of affordable dwelling units which could lose their affordability restrictions within the next 10 years.

CITY PROFILE

The City's profile consists of the special characteristics and factors that provide the setting for the Housing Element. Santa Barbara is located in the South Coast area of Santa Barbara County, on the Pacific Ocean. It occupies an area of 19 square miles. The areas adjacent to Santa Barbara consist of unincorporated areas of the County, including Goleta and Montecito. The population of the County is approximately 370,000 (including Santa Barbara, Goleta and Montecito). The population of Goleta is approximately 95,000 including Isla Vista, and the population of Montecito is approximately 11,000. Santa Barbara is the commercial, financial and governmental center for Santa Barbara County and is one of the oldest communities in California. Facilities for higher education include the University of California at Santa Barbara (in Goleta), Santa Barbara City College and Westmont College (in Montecito).

Santa Barbara's natural coastal setting and mediterranean climate provide an extremely attractive living environment. This setting has a substantial impact on employment characteristics as well as the City's economic base. These conditions attract people who in turn compete for residential opportunities.

ANALYSIS OF POPULATION AND POPULATION TRENDS

The market analysis portion of the Housing Element examines the population and housing characteristics which largely determine the housing needs of the community. Such an analysis includes a discussion of the traditional indicators of supply and demand including those mandated by State law.

The development trends that shape the City's housing market reveal growth and development, although not as much as Santa Barbara County as a whole. Since 1960, the City of Santa Barbara has grown from a population of 58,768 to 85,571 in 1990, an increase of almost 27,000 people, or a 46% increase in population. During that time, the City experienced an average population growth rate of approximately 1.5% per year. Although the housing stock expanded, it did not expand fast enough to keep up with the housing demands resulting from nonresidential growth in the City.

Housing Market Demand

Existing Population

The State Department of Finance population estimates for the City of Santa Barbara was 87,379 on January 1, 1992. The 1990 population according to the 1990 Census was 85,571, as indicated on Table 1. The 1990 figure represents a 15% increase over the 1980 population of 74,414 (a total increase of 11,157). Table 2 can be calculated to show that Santa Barbara County's population grew 24% over the same period of time. The City's population as a fraction of the County's population fell from 25% to 23% in 1990 as a result of a growth rate slightly lower than the County's rate.

Forecast 89, published by the Santa Barbara County Association of Governments (SBCAG), attempted to predict future growth for Santa Barbara County. The time frame covered in the forecast is from 1989-2005. According to the predictions made by Forecast 89, the population of the City would reach 87,869 by the year 2005. However, as stated above, the population of the City has almost reached that level in 1991 (population 87,003). Therefore, growth has outpaced the predictions in Forecast 89.

Race and Hispanic Origin

Santa Barbara's population includes several races and groups of Spanish origin, but is predominantly Caucasian. The 1990 Census provides the most recent race and Hispanic origin group breakdown, as shown on Table 3.

Race and Hispanic origin of the population are important to an analysis of housing needs and conditions. The cultural influence of race and ethnicity along with economic status can be reflective of preferences for housing type, location of housing, associated services and household composition.

TABLE 1

Population Characteristics - Growth
City of Santa Barbara
1960 - 1990

Year	Population	Average Percent Change	Average Annual Growth	Growth Rate
1960	58,768	-----	-----	-----
1970	70,215	19.5%	1145	1.9%
1980	74,414	6.0%	420	0.6%
1990	85,571	15.0%	1,116	1.5%

source: 1960, 1970, 1980, 1990 Census

TABLE 2

Population Characteristics - Growth
Santa Barbara City and County
1960 - 1990

Year	Santa Barbara City	Santa Barbara County	City as a Percent of County
1960	58,768	168,962	35%
1970	70,215	264,324	27%
1980	74,414	298,694	25%
1990	85,571	369,608	23%
1960-90*	26,803	200,646	
1960-90•	45.6%	118.8%	

* Total Increase
• Percent Increase

Source: 1960, 1970, 1980, 1990 Census

Race is broken down into white, African American, American Indian/Eskimo, Asian/Pacific Islander, and other race.

The data on Hispanic origin was derived from answers to Census questionnaire item 7, which was asked of all persons. Persons of Hispanic origin are those who classified themselves in one of the specific Hispanic origin categories listed on the questionnaire - "Mexican," "Puerto Rican," or "Cuban" - as well as those who indicated that they were of "Other Spanish/Hispanic" origin. Persons of "Other Hispanic" origin are those whose origins are from Spain, the Spanish speaking countries of Central or South America, of the Dominican Republic or they are persons of Hispanic origin identifying themselves generally as Spanish, Spanish American, Hispanic, Hispano, Latino and so on. Origin can be viewed as the ancestry, nationality group, lineage, or country of birth of the person or the person's parents or ancestors before their arrival in the United States. Persons of Hispanic origin may be of any race; i.e., a person can be both Hispanic and white, Hispanic and African American, Hispanic and Asian, etc.

The percentage of people of Hispanic origin in the City has increased from 22% in 1980 to 31% in 1990. While the total population of the City increased by about 11,000 (an increase of 15%), the Hispanic population increased 10,420 (an increase of 63%). In fact, approximately 93% of the increase in population that the City experienced between 1980 and 1990 can be attributed to the growth in the Hispanic population.

The Southern California Association of Governments has forecast that by the year 2000, the percentage of Hispanics in Southern California will increase to 41%. This shift in the City's ethnic composition affects other characteristics as well. The 1990 Census indicates that persons of Hispanic origin have a higher household size (3.96 persons per household (pph) for Hispanic households vs. 2.41 pph for all households).

Age of Population

Age distribution is an important market characteristic because housing demand within the market is influenced by the housing preference of certain age groups. Due, for the most part, to limited incomes, the young adult population (20-34 year olds) tends to occupy apartments, low to moderate cost condominiums and smaller single family units; the 35 to 65 year old groups provide the market for moderate to high cost apartments and condominiums and larger single family units because they have higher incomes and larger household sizes. The elderly population demands are similar to young adults, but also include group quarters and mobile homes. Many seniors also live in older, larger houses that were traditional family homes.

TABLE 3

Population Characteristics - Race by Hispanic Origin
City of Santa Barbara
1980 - 1990

NOT OF HISPANIC ORIGIN

Race	Population 1980	% of Total (Dist.)	Population 1990	% of Total (Dist.)	Percent Change (Pop.)	Percent Change of Dist.
White	54,086	73%	54,535	64%	0.8%	-12.3%
African American	1,756	2%	1,745	2%	-0.6%	0.0%
Am. Indian/Eskimo	283	<1%	355	<1%	25.1%	0.0%
Asian/Pac. Islander	1,245	2%	1,846	2%	48.3%	0.0%
Other Race	544	<1%	170	<1%	-68.8%	0.0%
Subtotal	57,914	78%	58,651	69%	1.3%	-11.5%
HISPANIC ORIGIN						
Race						
White	8,455	11%	11,994	14%	41.9%	27.2%
African American	73	<1%	175	<1%	140.0%	0.0%
Am. Indian/Eskimo	435	<1%	403	<1%	-7.3%	<1.0%
Asian/Pac. Islander	----	--	151	<1%	N/A	N/A
Other Race	7,537	10%	14,197	17%	88.4%	70%
Subtotal	16,500	22%	26,920	31%	63.2%	41.0%
TOTAL	74,414	100%	85,571	100%	15.0%	0.0%

source: 1980, 1990 Census

Table 4 shows the 1990 age distribution of the population of Santa Barbara and the change from 1980. The ages are grouped into "stages of life:" 0-4 year olds could be thought of as preschoolers; 5-19 year olds could be thought of as school age; 20-25 year olds could be thought of as college students or entry level workers; 25-54 year olds could be thought of as workers; 55-60 year olds could be thought of as early retirees; 60-64 year olds could be thought of as retirees; and 65+ year olds could be thought of as seniors. Only the populations of 0-4 and 25-54 years of age increased their percentage of the total. All others declined.

TABLE 4

Population Characteristics - Age Distribution
City of Santa Barbara
1980 - 1990

Years of Age	Population 1980	% of Total (Dist.)	Population 1990	% of Total (Dist.)	Percent Change (Pop.)	Percent Change in Dist.
0-4	3,500	4.7%	5,340	6.2%	52.6%	31.9%
5-19	11,859	15.9%	12,717	14.9%	7.2%	-6.3%
20-24	8,276	11.1%	8,853	10.3%	7.0%	-7.2%
25-54	29,353	39.4%	38,606	45.1%	31.5%	14.5%
55-59	4,025	5.4%	2,938	3.4%	-27.0%	-37.0%
60-64	3,759	5.1%	3,246	3.8%	-13.6%	-25.5%
65+	13,642	18.3%	13,871	16.2%	1.7%	-11.5%
Total	74,414	100%	85,571	100%	15.0%	

source: 1980, 1990 Census

Households

A household is defined by the Census as a group of people who occupy a housing unit (equivalent to an occupied housing unit). A household differs from a dwelling unit because the number of dwelling units includes vacant dwelling units. Not all of the population lives in households; a certain number live in group quarters such as board and care facilities and others are homeless.

In 1980, the City had 32,542 households, with a household population of 72,352. By 1990, the number of households had grown to 34,348, an increase of 6%. During the same period, the household population grew to 82,929, representing an increase of 15%. It is obvious that household size (persons per household) has increased since 1980.

The Santa Barbara City Housing Authority has three waiting lists: one for low income public housing, one for Section 8 certificates, and one for a senior housing project. The 5,127 applications on the waiting lists were categorized by type of unit needed:

Studio units	181
1 bedroom units	2,390
2 bedroom units	1,703
3 bedroom units	735
4 bedroom units	110
5 bedroom units	8
Total	5,127

The Housing Authority accepts applications for multiple lists. The 5,127 figure represents the number of applications on the waiting lists, not necessarily the number of households in need. Further, the figures reflect the number of people who were aware of the Housing Authority waiting lists, and were motivated to submit an application. These figures do not reflect the general population, and cannot be used to describe overall housing needs in the City. Further, the figures reflect the number of people who were aware of the Housing Authority waiting lists, and were motivated to submit an application. These figures do not reflect the general population, and cannot be used to describe overall housing needs in the City.

Forecast 89 predicted that, by 1995, the City would have 36,292 households and, by 2005, the City would have 37,949 households. Therefore, while population has surpassed Forecast 89's prediction, the number of households has not and, therefore, may be a more accurate prediction than that of population growth.

Household Size

Like age distribution, household size is a significant factor in shaping the demand for housing. Small households (1-2 persons per household) traditionally reside in units with 0-2 bedrooms while family households (3-4 persons per household) reside in units with 3-4 bedrooms; large households (5 or more persons per household) reside in units with 4 or more bedrooms. However, the household size may also reflect preference and economics. Thus, many small households prefer, and obtain, larger units; conversely, some large families live in small units for purely economic reasons.

Household size also impacts choice of location. For example, a household which does not include children (single person/elderly) may not be concerned with the location of their residence in relation to nearby schools. In contrast, location near schools may be of great concern to families with children.

Average household size fluctuates due to many factors. From 1970 to 1980, the average household size decreased from 2.43 persons per household (pph) to 2.22 pph. From 1980 to 1990, the average household size increased from 2.22 pph to 2.41 pph, returning to the 1970 level. In this respect, Santa Barbara followed the statewide trend of decreasing then increasing household size. The desirability of California in general, and Santa Barbara in particular, as a place to live and work, coupled with increasing birth rates and the decreasing rate of new residential construction in the City and the State, can be seen as the primary causes of the increase in household size (or persons per household). Persons per owner occupied units actually dropped slightly between 1980 and 1990 (from 2.54 to 2.50 persons per unit). During the same period, persons per rental unit rose significantly (from 2.00 to 2.35 persons per unit).

Santa Barbara is a mature city, and there is limited vacant land suitable for residential development. In addition, in the latter part of the decade, the City implemented temporary building restrictions due to a short term drought and the need to develop long term dependable water supplies. These and other limitations such as air quality, traffic capacity, tax policy and economic conditions have been a factor related to a decrease in the rate of new construction. As more people migrated to Santa Barbara and the demand for living quarters increased, rents and prices increased as well. People countered the price increases by sharing quarters (doubling up). The increased occurrence of sharing quarters is one factor which causes the increase in household size. Another factor is the increasing birth rate.

Table 5 is made up of four tables which show the overall household statistics for the City, the Hispanic household statistics for the City and household statistics for the County and the State. The period covered is from 1970 to 1990. Although Santa Barbara's average household size has increased from 1980 to 1990, it is less than the average household size for Santa Barbara County (2.73) or the State of California (2.79).

Forecast 89 predicted that the household size for the City would increase from 2.21 in 1980 to 2.26 in 2005. According to the 1990 Census, the household size (2.41 persons per household) has already far exceeded the prediction.

TABLE 5

Population Characteristics - Household Size
City of Santa Barbara
1970 - 1990

Year	Total City Household Population[1]	Percent Change	Total Number of Households[2]	Percent Change	Household Size[3]	Percent Change
1970	68,445	-----	28,146	-----	2.43	-----
1980	72,352	5.7%	32,542	15.6%	2.22	-8.6%
1990	82,929	14.6%	34,348	5.5%	2.41	8.6%

Year	Hispanic Household Population	Percent Change	Number of Hispanic Households	Percent Change	Hispanic Household Size	Percent Change
1970	14,805	-----	4,214	-----	3.51	-----
1980	16,486	11.4%	4,937	17.2%	3.33	-5.1%
1990	26,920	63.3%	6,800	37.7%	3.96	18.9%

Year	County Household Population	Percent Change	Number of Households in County	Percent Change	County Household Size	Percent Change
1970	250,932	-----	83,929	-----	2.99	-----
1980	286,715	14.3%	109,315	30.2%	2.62	-12.3%
1990	353,711	23.4%	129,802	18.7%	2.73	3.9%

Year	State Household Population	Percent Change	Number of Households in State	Percent Change	State Household Size	Percent Change
1970	Not Available	-----	Not available	-----	NA	-----
1980	23,099,853	-----	8,629,866	-----	2.68	-----
1990	29,008,161	25.6%	10,381,206	20.3%	2.79	4.4%

[1] Household Population = Total Population - Population living in group quarters
[2] Number of households = number of occupied housing units
[3] Household Size = Household Population ÷ Number of Households
source: 1970, 1980, 1990 Census

Household Income

Income characteristics of the population are important market indicators because they influence the range of housing prices in the community and the ability of the population to afford housing. The 1980 Census reported that in 1979 the median household income was $15,445 (1979 dollars). The 1990 Census reported that in 1989 the median household income had increased to $33,667 (1989 dollars). Using the inflation factor given by the Census Bureau (1.676), one can calculate the "real change" in median income from 1979 to 1989 (in 1989 dollars, this change equals $33,667 - ($15,445 x 1.676) = $7,782. There has been a 30% increase in "real" income from 1979 to 1989. Table 6 shows 1989 household income as reported in the 1990 Census.

A comparison of percentage of population at or below the poverty level shows little change. The 1980 Census reported that in 1979 approximately 11% (8,026 persons) of the population had an income that was at or below the poverty level. The 1990 Census reported that in 1989 that figure had increased to 13% (10,558 persons). However, an analysis of median income vs. median housing price shows a slight decrease in purchasing power. In 1979, median income was 12% of the median housing price. By 1989, that number had decreased to 10%.

TABLE 6

Population Characteristics - Household Income
City of Santa Barbara
1990

Annual Household Income	1990 Number of Households	Percent of Households (Dist.)
$0 - 9,999	4,021	11.7%
$10,000 - 19,999	5,371	15.6%
$20,000 - 34,999	8,448	24.5%
$35,000 - 49,999	5,988	17.4%
$50,000+	10,638	30.9%
	34,466	100%
Median Household Income	$33,667	

source: 1990 Census

Employment

Employment characteristics are important to housing market analysis because employment is directly related to income and ability to afford housing. In addition, the relationship between the location of housing and the location of employment has an impact upon transportation systems. Table 7 shows a decrease in the distribution of manufacturing, transportation/communication/utilities, wholesale and retail trade, and public administration industries. Table 8 shows a net decrease in the distribution of clerical, crafts, trades, service, and private household occupations. (The 1990 Census defines private household occupations as occupations which involve the performance of household tasks in and around a household for residents of the dwelling units, e.g. housekeepers, butlers, servants, personal attendants and childcare workers.)

Forecast 89 predicts that employment in the South Coast area will increase 43% between 1985 and 2005. The services, finance-insurance-real estate and retail trade sectors would be strong growth sectors increasing their share of total employment. Agriculture and government employment are expected to decline in their share of total employment.

TABLE 7

Population Characteristics - Employment by Industry
City of Santa Barbara
1980 - 1990

Industry	1980	Percent of Total (Dist.)	1990	Percent of Total (Dist.)	Percent Change (Number)	Percent Change in Dist.
Agriculture, Forestry, & Mining	1,280	3.4%	2,065	4.4%	61.3%	29.4%
Construction	2,293	6.1%	3,501	7.5%	52.7%	23.0%
Manufacturing	4,797	12.9%	5,342	11.4%	11.4%	-11.6%
Transportation, Communications & Utilities	1,828	4.9%	1,900	4.1%	3.9%	-16.3%
Wholesale Trade	1,045	2.8%	1,147	2.5%	9.8%	-10.7%
Retail Trade	6,671	17.9%	7,821	16.7%	17.2%	-3.9%
Finance, Insurance & Real Estate	2,810	7.5%	3,670	7.8%	30.6%	4.0%
Services	15,075	40.4%	19,871	42.5%	31.8%	5.2%
Public Administration	1,516	4.1%	1,448	3.1%	-4.5%	-24.4%
Total Employed	37,315	100%	46,765	100%	25.3%	

sources: 1970, 1980, 1990 Census

TABLE 8

Population Characteristics - Employment by Occupation
City of Santa Barbara
1980 - 1990

Occupation	1980	Percent of Total (Dist.)	1990	Percent of Total (Dist.)	Percent Change (Number)	Percent Change (Dist.)
Professional & Technical	7,406	19.8%	9,694	20.7%	30.9%	4.5%
Managers & Administrators	4,626	12.4%	6,571	14.1%	42.0%	13.7%
Sales	3,931	10.5%	5,492	11.7%	39.7%	11.4%
Clerical and Related Occupations	6,382	17.1%	6,892	14.7%	8.0%	-14.0%
Crafts, Trades & Operatives	7,688	20.6%	8,690	18.6%	13.0%	-9.7%
Service	5,584	15.0%	6,733	14.4%	20.6%	-4.0%
Private Household	342	1.0%	655	1.4%	91.5%	-4.0%
Farming, Forestry Fishing	1,356	3.6%	2,038	4.4%	50.3%	22.2%
Total Employed	**37,315**	**100%**	**46,765**	**100%**	**25.3%**	

source: 1970, 1980, 1990 Census

Special Needs

Introduction

Special housing needs include those households which warrant additional discussion because they have unique requirements or conditions related to housing. Some groups may need unique physical configurations or support services and all of them generally have difficulty competing for housing in a market where housing costs are steadily increasing. These special households are identified in the State Law: "...such as those of the handicapped, elderly, large households, families with female heads of households, and families and persons in need of emergency shelter" (Government Code Sec. 65583). This section is intended to identify more specifically the needs of the various groups, as well as solutions to meeting these needs. The demands of these groups are important because they often "compete" for the same type of housing. A common need is the lack of affordable housing for each of these groups as there are relatively lower incomes associated with special needs groups.

In February 1992, the City conducted a series of four panel discussions with public and private providers of housing or services for special needs groups. The panel discussions were held to assist the City in assessing the housing needs for special groups. The following discussion is a result of those meetings.

There was a thread of commonality which ran through all the discussions: there is an increasing need for greater numbers of affordable residential opportunities and resources to develop these residential opportunities are becoming increasingly scarce. The City has traditionally looked for methods to assist in funding or providing capital improvements and/or facilities, and although the providers appreciated this type of assistance, many stated that there was an even greater need for funds to pay for operating expenses.

Disabled

The housing needs of the disabled are difficult to measure. According to the 1990 Census, which is limited to data on work, mobility and self-care limitations, a total of 101 persons including 76 persons over age 65 had mobility or self-care limitations. However, the Census questions did not ask whether a person had physical or mental disabilities. Instead, the Census asked whether a person had difficulty going outside the home or taking care of his or her personal needs. A person who would typically be thought of as "disabled" (in a wheelchair, blind etc.) could have indicated that they do not have that type of difficulty. Therefore, other sources of information were used to estimate the number of people with disabilities.

The Department of Health and Human Services estimates that 10 percent of the total population in the United States is disabled. Applying these

national figures to the 1990 population in Santa Barbara (85,571) results in an estimate of 8,557 disabled persons in the City. The City of Santa Barbara's Housing Authority has three waiting lists. As of December 1992, the Housing Authority's waiting lists had 1,978 (39%) applications from the disabled (all disabilities except those involving wheelchairs), and 55 (1%) applications from the handicapped (people needing wheelchair accessible units). Because people can be eligible for all three lists, there is some double or even triple counting on the list. The Housing Authority was not able to eliminate the double counting in their figures.

There are many types of disabilities, including physical disabilities (mobility impairments, sight impairments, hearing impairments or speech impediments), and mental and developmental disabilities. Because of this broad range of types of disabilities, making a dwelling unit accessible

TABLE 9

Population Characteristics - Households with Special Needs
City of Santa Barbara
1970 - 1990

Household Type	1980	% of Total Households (Dist.)	1990	% of Total Households (Dist.)	Percent Change (Number)	Percent Change in Dist.
Single Parent Household*	2,276	7.0%	2,702	7.9%	18.7%	12.9%
Female Head of Household**	11,721	36.0%	12,247	35.7%	4.9%	-0.1%
Elderly Households (65+)	9,262	28.5%	9,395	27.4%	1.4%	-3.9%
Large Households	2,228	6.9%	3,261	8.9%	46.4%	29.0%

* Households with persons under 18 years of age
** Includes single person households and non-family households

source: 1970, 1980, 1990 Census

requires different features for different disabilities. For instance, a person in a wheelchair needs extra wide doors while a deaf person needs a door "bell" that flashes a light on and off. In many cases, landlords are unwilling to make a unit accessible because they believe the process to be complex, expensive and time consuming. In addition, people with disabilities can face prejudice because of their disabilities, e.g. a person

with a speech impediment may not get housing because, upon initial contact, a property owner may interpret a disability to be another problem such as substance abuse or emotional disabilities. A critical problem that people with disabilities face is one of affordability. Most of the disabled population receives Supplemental Security Income (SSI); due to this limited income, rent often accounts for a major portion of their monthly expenses.

The panel of experts was not able to give an approximate number of disabled people in the City; however, the panel did give input as to the need for housing for the disabled. The need for accessible housing is increasing, and there is a need for more ground floor units which are adapted to be accessible to the disabled. Existing ground floor dwelling units can be easily retrofitted to be accessible by the disabled by installing a series of improvements, such as wider doors, easily opened door latches, ramps, etc..

With regard to housing, in addition to the need for more affordable units, three major needs were identified at the panel discussion: 1) an education process targeted to landlords in order to make them aware that making a ground floor unit accessible to the disabled is easily accomplished; 2) a fund which would pay for minor improvements; and 3) a fund which would loan to a disabled person the amount of the first and last months' rent, as well as the security/cleaning deposit, to be repaid in installments.

Other needs identified by the panel include the reestablishment and promotion of the share-a-home program aimed at encouraging seniors and persons with disabilities to home-share and an increased role by local government in promoting and educating the community about the modification requirements and cost effectiveness of the implementation of Title 24 regulations (accessibility standards for the disabled). There is also a clear need for more Section 8 Certificates for the disabled.

One item that was recommended by the panel was the promotion of coalitions of government, business, nonprofits and education to address the implications of "NIMBYism" (Not In My Back Yard) in an attempt to foster the growth and acceptance of group homes for persons with disabilities. The City of Santa Barbara takes great pride in its public participation process and realizes that citizen involvement in the development review process is necessary and helpful, as it often brings up issues that would be unknown otherwise. There is, however, a difference between citizen involvement (which can lead to improvements to a project and increased neighborhood compatibility) and "NIMBYism," where neighbors are against a project, not in general terms, but simply because it is in their neighborhood. The City will continue to encourage citizen

involvement, but must also discourage "NIMBYism" to the extent of its ability.

Other recommendations included: a rent stabilization ordinance that would include a vacancy decontrol provision (rents are raised only when new tenants move in); mixed use zoning incentives and higher bonus densities allowed for senior and disabled low income projects; the use of Community Development Block Grant funds to create and fund technical assistance programs for builders wishing to construct or convert housing for seniors and disabled, including free architectural consultation to landlords and developers as well as construction grants for the development of barrier free housing; increased promotion and development of limited equity cooperatives for community based intergenerational, multifamily housing; and the development of a City sponsored subsidized program for low income seniors and disabled needing board and care services above the Supplemental Security Income threshold.

Elderly

Historically, Santa Barbara has been a retirement community. This accounts for a senior population that is higher than average for the State of California. The housing market has responded by providing opportunities that range from single family residences to senior apartments to retirement lifecare facilities and convalescent care. It is interesting to note that the senior population has declined both in numbers and distribution (percent of total population). The Census information indicates that Santa Barbara may no longer be a growing retirement community. The Santa Barbara City Housing Authority has three waiting lists: one for low income public housing, one for Section 8 certificates and one for a senior housing project. As of December 1992, the lists shows 960 (19%) applicants over age 62. Because people can apply to be on all three lists, there is some double or even triple counting on the list. The Housing Authority was not able to eliminate the double counting in their figures.

As shown in Table 10, the number of people age 60-74 has decreased, while the number of people age 75+ has increased. To put it simply, people are getting older and living longer. This change in the distribution of the elderly has housing implications because each age group can have different housing needs, e.g. amount of care (cooking, cleaning, transporting), and the extremely elderly may need special types of living situations, such as group quarters, to maintain the necessary level of care. As Santa Barbara's elderly population continues to increase, the amount of assistance that is required will increase as well.

Seniors face a multitude of problems: 1) The majority of seniors are women who did not work outside the home; they were part of a family

which typically relied on one income: that of their spouses. When their spouses die, they are often left with a fixed income that diminishes in value over time. As the widow continues to age, she may find herself living below the poverty level. 2) A great number of seniors over the age of 75 own their own homes, yet their houses are their only asset. This segment of the senior population is known as "house rich, cash poor." 3) Seniors don't want to be institutionalized; they want to remain in their homes or in independent living situations for as long as possible. As a result, there is a need for more support services for seniors in their homes.

TABLE 10

Population Characteristics - Special Needs
Elderly Population Distribution
City of Santa Barbara
1970 - 1990

Age	Population 1980	Percent of Total	Population 1990	Percent of Total
60-64	3,759	22%	3,246	19%
65-69	3,485	20%	3,400	20%
70-74	3,618	21%	3,025	18%
75-79	2,772	16%	2,808	16%
80-84	1,982	11%	2,317	14%
85+	1,785	10%	2,321	14%
Total	17,401	100%	17,117	100%

source: 1980, 1990 Census

Many senior households need smaller "efficiency" units to make independent living possible. Seniors have difficulty finding affordable housing because they often have limited incomes. Where seniors can live with other family members or can afford to maintain their own home, their housing needs can be met. Many single seniors need some form of housing assistance.

The greatest needs identified in the panel discussions were for more affordability, more resources and more case management. The caseload

of social services for the elderly has gotten heavier and more complex. Housing is merely one part of a spectrum of need. Although there is an obvious need for more facilities, and more affordable facilities, today's seniors need more than a roof over their heads. Support services are needed as much as or more than facilities.

There is a need for the promotion and development of new congregate living facilities for seniors which meet the needs of the older senior population (75+), but remain small in scope and noninstitutional in style; also, board and care facilities that provide for semiindependent living are needed. There is a community of seniors who cannot live completely independently, but need meals cooked and other assistance etc.. For this community, the panel suggested incentives for non-licensed rooming houses, where a senior gets his/her own room and is basically responsible for his/her life, but the meals are provided, and there are plenty of common areas for social interaction.

A portion of the homeless in Santa Barbara is made up of seniors and there is a need for additional Single Room Occupancy Hotels (SRO) and incentives for existing hotels to accept SRO Certificates.

Suggestions were made regarding reverse equity mortgages or other equity-to-income strategies, single facilities that include a range of living conditions from fully independent living to board and care, detoxification facilities, intermediate care facilities, additional support services such as financial advice, congregate housing and granny units.

Large Households

Large households are defined as those households with five or more persons. Large households generate a need for units with more than three (3) bedrooms. This housing is more expensive and, due to the higher expenses associated with larger households, less affordable for low and moderate income households. In 1980, the City had 2,228 large households, or 6.9% of the City's households. Approximately 976 large households consisted of renters.

In 1990, the City had 3,261 (8.9%) large households. Of these, 1,985 were renters (5.8%), and 1,276 were owners (3.7%) representing an increase of 46% since 1980 in the number of large households. During the panel discussion of low and moderate income housing need, one housing provider identified the need for more 3+ bedroom units. As of December 1992, there were 724 (14%) applications on the Housing Authority's waiting lists for families with five or more members. Because people can apply to be on all three lists, there is some double or even triple counting on the list. The Housing Authority was not able to eliminate the double counting in their figures.

Farmworkers

The housing needs of the farmworker are difficult to quantify. The 1990 Census provided indirect measurements of the extent of farmworkers. Undocumented immigrants and migrant workers form a substantial part of the farmworker population. The ability to gather information about farmworkers is limited because they are so mobile and reluctant to participate in any survey.

Farmworkers are defined as people who make their living through seasonal agricultural work and who move with the seasons to different farming areas or communities. Permanent residents of Santa Barbara who work in agriculture doing similar work are included in the City's estimates of households needing assistance due to affordability. The 1990 Census revealed that approximately 2,038 individuals in the City were employed in the agriculture, forestry, fishing and mining industries. This indicator does not directly measure the farmworker population (nor the housing needs of farmworkers), and because Santa Barbara has a working harbor, those employed in the fishing industries are estimated to compose a major portion of the 1990 Census figure given above.

Female Heads of Households with Children

Single individuals with dependent children represent another important group with special housing needs. Current information concerning income for single parent households with children is unavailable. The housing needs of single parent households have increased in recent years. The single employed parent typically desires minimal maintenance housing which is near employment, schools, shopping, day care and recreational areas. The housing needs of this group generate special concern because the single parent household tends to have a lower income and a higher need for social services.

The number of single parent households with children forms a significant portion of lower income households in "need." Although no direct measurement of this need has been provided, the Census information provides an indication of the magnitude of such needs. The 1980 Census identified 1,727 female headed households with children, accounting for 5.3% of the City's households. The 1990 Census identified 2,606 female headed households with children (7.5% of the City's households). In contrast, 369 single male headed households were identified by the 1980 Census, and 605 such households were identified in 1990. The City Housing Authority has three waiting lists (5,127 total applications). Almost 60% (3,018) of all applications were for female headed households. Because people can apply to be on all three lists, there is some double or even triple counting on the list. The Housing Authority was not able to eliminate the double counting in their figures. Women tend to earn lower wages than men, which increases the need for affordable housing. Targeting housing for this special need group has

been ruled discriminatory; therefore, single parent households are included with low and moderate income households.

Low and Moderate Income Households

Housing for the low and moderate income population has been a priority of the City for over two decades. The 1982 Housing Element contained a number of policies, which the City has implemented, to increase the affordable housing stock. The 1985 Housing Element Update Addendum had additional policies to increase the housing stock for all economic levels in the community.

At this time, the City has an inventory of approximately 3200 affordable units, including public housing, units assisted by the City (examples of assistance include bonus density or City financing), privately owned units and rehabilitated or Section 8 rent assisted units.

It is often difficult to deal with the low and moderate income group as a whole because it covers such a wide range of incomes. This group ranges from 0-120% of median income and beyond. Although virtually no funding sources for housing provide assistance to those who earn more than 120% of the median income level, it is difficult for many families to purchase a home in Santa Barbara, even if their income exceeds 120% of the median income. Because the income range is so great, the needs of those on one end of the range are very different from those on the other end; therefore, a range of programs are needed to meet the housing needs of this group of the population.

The "American Dream" is a three bedroom, two bath single family residence on an acre of land. Because of the limited amount of vacant land in the City of Santa Barbara, the harsh reality of housing in the South Coast area is that the median price of a house is $320,000 and prospective purchasers would need to have an annual income of more than $92,000 (190% of median income) to qualify for an 80% loan at the favorable fixed interest rate of 9%. In addition, even if the family did have the required annual income, it would also need to have a 20% ($64,000) down payment in cash. A "starter home" in the South Coast area can be purchased for about $250,000. Prospective purchasers would need an annual income of almost $72,000 (148% of median income) and a down payment of over $50,000.

The price of the dream is very high, so people lower their expectations, purchase smaller houses or condominiums, or move to areas with lower housing costs. If their income is low enough (below 120% of median income), they attempt to purchase an affordable unit. For some, the dream of home ownership is unattainable and, for those people, affordable rental units are a necessity. During the General Plan Update process, the Economic Study Group concluded that "...the greatest threat to the local

economy is the lack of affordable housing and the loss of the middle class."

The panel on low and moderate income housing identified the following needs: more funding from federal and state sources; rental units that are 10-20% below market rate; housing assistance for those households that earn above 120% of the median income; 3+ bedroom units; starter homes; jobs; and down payment loans/assistance for low and moderate income households. The panelists had some suggestions for policies that the City could adopt to make affordable housing more attractive to developers and to streamline the process for affordable housing projects. Suggestions included creation of a fund from which development review and public improvement fees could be paid, allowing Planned Unit Developments to be built as rental units, and reviewing all Planning Commission Conditions of Approval for necessity and appropriateness (for instance, a condition which restricts construction activities to weekdays is inappropriate for a "sweat equity" project). Relaxed parking standards, educating the public about affordable housing, employer incentives, a fund which would pay for initial expenses (such as getting an option on a property) and making conventional (Fannie Mae) financing available for low and moderate income units were other suggestions.

Others included: fast track processing of affordable housing projects, including an Affordable Housing Expediter on Planning Staff; increased density; review of development standards; more flexible development standards; investigation of cross jurisdictional solutions with the County; density guarantees by Ordinance to reduce uncertainty/risk; mixed use incentives; reduction in fees and inspections; deferral of payment of fees until a building permit is issued; and annexations for affordable housing.

While major accomplishments have been made in Santa Barbara in the area of affordable housing, this continues to be the greatest challenge to the City. The City's accomplishments in developing affordable housing have been acknowledged in various publications. In a report published by the California Coalition for Rural Housing entitled Local Progress in Meeting the Low Income Housing Challenge, the City of Santa Barbara is identified as having produced 678% of its requisite lower income units. The City was also recognized in a book published by the Lincoln Institute of Land Policy, and written by Madelyn Glickfield and Ned Levine entitled Regional Growth...Local Reaction: The Enactment and Effects of Local Growth Management and Control Measures. Their research found that the City of Santa Barbara has produced 698% of its identified low income housing need.

Homeless

In recent years, homelessness has become increasingly prevalent in all parts of the nation, including Santa Barbara. For the first time, in 1990,

the U.S. Census attempted to quantify the homeless population. Although the results of the Census surveys cannot be described as definitive, the fact that the Census Bureau tried to find out about the homeless indicates that homelessness is becoming more of a problem nationwide.

In Santa Barbara, the 1990 Census counted 312 homeless people in emergency shelters for the homeless and 46 homeless people visible in street locations. Providers of shelter and assistance for the homeless population have stated that the Census figures were understated and that numbers alone do not shed much light on the extent of the problems associated with homelessness.

In 1990, the County published the Comprehensive Homeless Assistance Plan. This document estimated the number of homeless to be 3,000-4,000 in Santa Barbara County, and 1000 in the City. Based on the Homeless Needs Assessment Survey, Santa Barbara's homeless population is 28% female and 72% male; 60% are 18-45 years of age; 66% white; 21% hispanic and 13% other. National statistics indicate that 30% of the homeless are families; 30-50% are substance abusers; 30% are mentally ill; and 20% are the working poor. Other homeless are seniors, veterans and youth. These groups are often overlooked because little information is available. In order to assess needs of the homeless population, in February 1992, the City held a panel discussion with homeless shelter and service providers. At that panel discussion, the City received information that clarified the housing needs of the homeless.

The homeless population consists of people of all ages and races. In addition, there are a multitude of homeless families. Table 11 lists homeless shelters in Santa Barbara. There is a need for emergency, transitional and permanent housing for the homeless; a more critical need is funding of operating costs of shelter and service providers. Several members of the panel stated that although there is a need for more facilities, funds to cover the cost of operation is an even greater need; the Salvation Army had turned down offers for a large facility which could be converted to a homeless shelter because it did not have enough funds to operate it.

Other identified needs were: a fund for victims of catastrophic circumstances; funds to help people get into housing (security deposits, etc.); increased numbers of Single Room Occupancy hotels; more Section 8 Certificates; mediation services for landlords (so they can get assistance with mentally ill tenants); aid for "at risk" populations (those on the verge of becoming homeless); job training and child care for the homeless population, so they can earn money to get into a housing unit; more affordable housing; vigorous enforcement of building and housing codes and relocation of tenants from uninhabitable dwellings; good cause

eviction protection for tenants; interest on security deposits for tenants; some form of rent control/stabilization program for low income tenants; more decent paying jobs; activity centers for the mentally ill; more emphasis on assistance to homeless families; and money management assistance for those receiving Supplemental Security Income (SSI). This concept entails having an organization receive the SSI money from the Federal Government and paying the recipient's rent and other expenses up front, so that the recipient does not spend SSI money on items that are not related to food and shelter.

Unfortunately, only a limited number of these needs can be addressed in the Housing Element. The identified needs that the City can address in the Housing Element are those of providing opportunities for, and encouraging, emergency shelters and transitional housing; reviewing the rules and regulations of affordable housing to make it easier for developers to provide affordable housing; considering streamlining the development review process for homeless shelters and affordable housing; providing flexibility in development standards to encourage the range of housing opportunities needed; and providing education and public outreach to address concerns of neighbors in areas where these facilities may be located.

College and University Housing

Student housing is considered as a factor that affects housing availability. Although students may produce only an individual temporary housing need, the impact upon housing demand and post-study residence is critical and ongoing in the immediate university areas. Santa Barbara City College is located within the City limits, and the University of California at Santa Barbara is within 10 minutes of the City limits.

Santa Barbara City College

Santa Barbara City College's enrollment has remained relatively stable over the last 4-5 years, and is projected to remain at about 12,000 students (approximately 4,500 fulltime). Because the enrollment level is not projected to increase, the housing needs of the students and faculty are also not projected to increase over existing levels. In Spring 1991, approximately 2,500 students (22%) came from out of district.

University of California at Santa Barbara (UCSB)

UCSB is located west of the City limits, in Santa Barbara County. UCSB attracts both students and faculty from out of the immediate area and affects the entire South Coast housing market. Surveys reported in UCSB's Long Range Development Plan Environmental Impact Report

TABLE 11

Homeless Shelters
City of Santa Barbara
1992

Name of Facility	Number of Beds	Clients
Transition House	35	Families, Women, Working Men (in order of priority)
Transition House - Firehouse	16	Families, Men, Women
National Guard Armory*	300 Maximum	All
Rescue Mission	109	Men
Bethel House	20	Women and Children
Salvation Army	40	All
Shelter Services for Women	15	Battered Women
Klein Bottle	10	10-17 years of age
TOTAL	545	

* The Armory is only open when the temperature falls below 40°F.

Source: City of Santa Barbara Survey, April 1992

showed that approximately 8% of UCSB students, 44% of faculty and 33% of staff lived in the City of Santa Barbara. UCSB's 1990 Long Range Development Plan predicted that, with the proposed increase in facilities, there would be a new housing demand of 279 dwelling units in the City (5 student, 43 faculty, and 241 staff). As a result of the current economic situation, these facilities may not be constructed, thereby reducing UCSB's anticipated housing demand. UCSB has proposed several measures to lessen or avoid housing impacts, including building housing units, offering a variety of housing assistance measures that increase the affordability of homeownership for faculty, investigating the potential acquisition of existing housing units or an off-campus site or sites in the South Coast region for the development of housing units including affordable housing units, and not exceeding a three quarter average headcount enrollment of 20,000 students unless the 1990 LRDP is amended.

Regional Share

According to State law, local governments' housing needs assessments must include their share of the projected needs for housing in the region. The Santa Barbara County Association of Governments (SBCAG) has identified Santa Barbara's share of the regional housing needs. The figures are contained in SBCAG's Regional Housing Needs Plan (RHNP), which was adopted in 1992.

These figures identify the projected housing needs from July 1, 1990 to June 30, 1997. The total units needed are 2,418, of which 604 are to be for very low income households, 410 for low income households, 484 for moderate income households, and 920 for above moderate income households.

The regional housing need for Santa Barbara County is calculated by adding 1) projected increases in new households between 1990 and 1997, 2) estimates of new units required to ensure a constant vacancy rate which reflects a healthy housing market, and 3) replacement allowances which account for units that are lost through natural occurrences or other reasons. The regional housing need is divided by jurisdiction based on Forecast '89 growth projections. Each jurisdiction's share of the regional housing need is distributed into income categories, based on a variety of factors such as renters who paid over 30% of their income to rent, percent farmworkers, percent assisted households, and percent homeless. Because the City of Santa Barbara had produced more affordable units than other jurisdictions, the distribution was shifted by the Santa Barbara County Association of Governments (SBCAG) towards the "above moderate" category.

It should be noted that the State does not necessarily require that the City achieve this allocation. The allocation is, instead, intended to serve as a goal which the City should work towards achieving through the development of appropriate housing programs. It is recognized that the ultimate attainment of the allocations may be beyond the means of the City due to factors outside its control. A letter received by the Santa Barbara County Association of Governments from the State Department of Housing and Community Development states,

> "...Local governments are not required to develop housing but to facilitate its development. Because of wars, recessions, high interest rates, or other factors not under local control, the allocated levels of new construction may not be achieved, but this cannot be a basis for failing to plan to meet the needs..."

There is no penalty if Santa Barbara does not construct its fair share of the regional housing need. However, if the City fails to **plan for** its fair

share in the 1992 Housing Element, the Housing Element will be found to be out of compliance with State law, which can have broad implications for the City. If the Housing Element is out of compliance with State law, Santa Barbara's General Plan could be found to be invalid; if so, the City would lose its power to approve any application which requires General Plan consistency findings. In addition, housing element compliance is one of the factors considered when awarding certain state housing funds, and the lack of a housing element limits the City's ability to compete for important housing resources. Requirements vary, but several programs administered by the State Department of Housing and Community Development's (HCD) Community Affairs Division use housing element compliance as a rating or ranking criterion in the awarding of funds. For example, for nonentitlement cities to be eligible for state administered federal Community Development Block Grant funds, they must have a housing element which is at least in procedural compliance with housing element law.

TABLE 12

Regional Housing Needs Assessment
City of Santa Barbara
1985 - 1997

Units by Income	1985-1992				1992-1997	
	Number	%	Results	% of Goal	Number	%
Very Low	131	23%			604	25%
Low	80	14%	440	140%	410	17%
Moderate	103	18%			484	20%
Above Moderate	258	45%	507	197%	920	38%
Total	572	100%	**947**	**166%**	2,418	100%

source: 1985 City of Santa Barbara Housing Element
1992 Regional Housing Needs Plan
City of Santa Barbara Planning Division

Supply

Existing Housing

The supply characteristics are the other components of the Housing Market Analysis. Demand is population oriented; supply is unit oriented. As of 1990, the total number of dwelling units in the City of Santa Barbara was 36,266 units. The housing was 54% single family, a slight

increase from 1980 (51%); 14% duplex, triplex and fourplex (up from 13% in 1980); 29% multiple family (down from 35%); and 3% mobile home or other type of dwelling unit (up from 1% in 1980). This can be seen in Table 13.

The housing stock grew by about 7% from 1980 to 1990, or 0.7% per year while the population grew by 15%, or 1.5% per year. Of the growth in supply, 2,032 (86%) were single family units. According to the 1990 Census, the number of multiple family dwelling units decreased between 1980 and 1990. This decrease is accompanied by a corresponding increase in single family attached units, which, in part, reflects the large number of conversions from apartments to condominiums which occurred in the 1980's.

The housing supply in the City has increased at a slower pace than the housing supply in the northern areas of Santa Barbara County, due, in part, to the availability and lower price of land. The City's housing stock comprised 30% of the County's housing stock in 1980 and 26% in 1990.

TABLE 13

Housing Characteristics - Total Housing
(Units in Structure)
City of Santa Barbara
1970 - 1990

Year	Single Family	Two to Four	Five or More	Mobile Homes*	Total	Occupied	Vacancy Rate
1970	16,835	3,792	8,943	**	29,570	28,146	4.8%***
1980	17,365	4,333	11,842	385	33,925	32,509	4.2%***
1990	19,397	5,114	10,574	1141	36,266	34,348	5.2%***

* includes "other" dwelling units
** included in Single Family
*** these vacancy rates include seasonal vacant, boarded up units, etc., and therefore do not represent the actual vacancy rates. See text.

source: 1970, 1980, 1990 Census
1990 Department of Finance Population and Housing Estimates

Projected Housing Construction

Forecast 89 projected that the City of Santa Barbara would add approximately 3,000 dwelling units from 1990 to 2005 (9% increase). Santa Barbara County is projected to add 24,800 dwelling units in the same time period (19% increase).

Tenure

Tables 14 and 15 show the tenure (renter or owner) of occupied housing units in the City. Of the City's occupied housing units in 1990, 58% were renter occupied and 42% were owner occupied. There has been no change in the distribution of renter or owner occupied units since the 1980 Census.

In 1980, 48% of the population (except those who lived in group quarters) lived in owner occupied units. In 1990, the percentage of the population living in owner occupied units dropped to about 44% of the total. As expected, population in renter occupied housing increased during this period, from 52% to about 56%. See Table 15. The median age range of owners is between 55-64 years. The median age range of renters is between 35-44 years.

TABLE 14

Housing Characteristics - Tenure (Renter/Owner)
City of Santa Barbara
1970 - 1990

Year	Number Owner Occupied	Percent	Number Renter Occupied	Percent	Number Occupied Units
1970	12,655	45%	15,491	55%	28,146
1980	13,532	42%	18,977	58%	32,509
1990	14,483	42%	19,865	58%	34,348

source: 1970, 1980, 1990 Census

TABLE 15

Housing Characteristics - Population by Tenure
City of Santa Barbara
1980 - 1990

Year	Population in Owner Occupied Units	Percent	Population in Renter Occupied Units	Percent	Total Population in Occupied Units
1980	34,426	48%	37,888	52%	72,314
1990	35,224	44%	46,705	56%	82,929

source: 1980, 1990 Census

Condition

A number of housing units in Santa Barbara are beginning to show a need for rehabilitation. The scope of rehabilitation needed ranges from minor to substantial. Where it is not financially feasible to rehabilitate the units, replacement housing may be necessary. In 1990 City Housing Rehabilitation Loan Program staff conducted a walking "sidewalk" survey of all single family houses on selected blocks, primarily in the West Downtown and Westside neighborhoods. The condition of each house was evaluated based on the condition of the roof, siding, paint, windows, electrical service, driveway, and type of foundation.

Nearly half of the houses in the survey area appeared to be in "poor" condition. This does not mean that these houses are uninhabitable or unsafe. A typical house judged to be in poor condition would have had most of the following: a roof near the end of product life; exterior walls with peeling paint or damage to wood or stucco that would cause water intrusion; windows with excessive weathering or termite or dryrot damage; electrical service of less than three wire 100 amp, with no grounding evident; and, a substandard foundation or floor elevation on at least some portion of the house. The results of the survey are shown in Table 16.

The age of housing in Santa Barbara is an important characteristic of supply because it is an indicator of the condition of the City's housing. Many federal and state programs use age of housing, among others, to determine housing needs and the availability of funds for housing and/or community development. For those purposes, the most significant

TABLE 16

Housing Characteristics - Housing Condition
City of Santa Barbara
1990

Condition	Number	Percent
Good	59	11%
Fair	166	31%
Poor	248	47%
Very Poor	55	10%
TOTAL	**528**	**100%**

source: City of Santa Barbara Survey of Selected Areas, 1990

measure of the age of housing is the number of units built before 1940. In 1990, about 22% of the housing stock was built before 1940 and the median year of construction of all housing units in Santa Barbara was 1959. Table 17 shows the age of housing stock in the City.

Housing Cost

Although an assessment of "housing needs" includes such components as total unit numbers and types, age and condition, vacancy rates and overcrowding, the most overwhelming problem facing Santa Barbara is the cost of housing. This problem is shared throughout the South Coast and the California housing market. See Table 18.

The 1990 Census includes information on housing unit value and gross rent. Both of these categories are based on questions asked in the Census. In 1990, the median value of owner units for the City ($347,000) was up 165% from 1980 ($130,800). Compared to the County ($250,000), the median value of owner units in the City was 39% greater, up from 26% greater in 1980.

Median housing value as estimated by housing owners for the 1990 Census is usually higher than median housing sales price.

In 1990, the median housing sales price was $320,000 for the South Coast area and $238,000 for Santa Barbara County.

TABLE 17

Housing Characteristics - Year Housing Built
City of Santa Barbara
1990

Year	Number	Percent	Annual Average
1939 or Earlier	8,007	22%	-
1940-1949	3,639	10%	364
1950-1959	7,642	21%	764
1960-1969	7,313	20%	731
1970-1980	5,356	15%	536
1981-1990	4,269	12%	427
Total	**36,266**	**100%**	
Median Year of Construction of All Housing Units	1959		

source: 1990 Census

The median gross monthly rent for the City was $715, up 125% from 1980 ($317). Compared to the County ($654), the City's monthly median rent was 9% greater.

Income Eligibility Criteria for Affordable Housing

Table 19 shows income eligibility criteria as defined by the U.S. Housing and Urban Development Department for Santa Barbara County in 1992. These figures are based on a **median family income** of $49,200 (family of four).

- Very low income **families** are defined as those families whose annual income equals from 0 to 50 percent of the median income for Santa Barbara County (from $0 to $24,600).

- Low income **families** are defined as those whose annual income equals from 50 to either 80 percent of the median income for Santa Barbara County **or 100% of the national median income**, whichever is less (from $24,601 to $38,600) In Santa Barbara County, 80% of median income is greater than 100% of the

TABLE 18

Housing Characteristics - Median Values and Rents
City and County of Santa Barbara
1970 - 1990

Jurisdiction	1970 Median Value	1980 Median Value	1990 Median Value	Percent Increase 1970-80	Percent Increase 1980-90
Santa Barbara	$25,700	$130,800	$346,900	408.9%	165.2%
South Coast	N/A	138,100	344,400	N/A	149.4%
S.B County	23,500	104,000	250,000	342.6%	140.4%

Jurisdiction	1970 Median Rent	1980 Median Rent	1990 Median Rent	Percent Increase 1970-80	Percent Increase 1980-90
Santa Barbara	$125	$317	$715	133.6%	125.0%
South Coast	N/A	299	685	N/A	129.5%
S.B County	122	276	654	126.2%	137.0%

source: 1970, 1980, 1990 Census

national median income, therefore, the national median income is used to calculate the criteria for low income families.

- Moderate income **families** are defined as those families whose annual income equals from 80 percent of the median income for Santa Barbara County (or 100% of national median income) to 120 percent of the median income for Santa Barbara County (from $38,601 to $59,050).

- Above moderate income **families** are defined as those families whose annual income exceeds 120 percent of the median income for Santa Barbara County (over $59,050).

The U.S. Department of Housing and Urban Development (HUD) estimates "area median family income" and calculates income eligibility criteria by "family" size (in HUD regulations, family has the same

meaning as household). Income eligibility criteria are used to categorize households by income.

The same circumstances apply to the moderate income level: the State Department of Housing and Community Development (HCD) uses HUD's area median family income to determine a set of moderate income eligibility criteria by household size.

The figures in Table 19 are used to determine whether a household is eligible for affordable housing in Santa Barbara. As stated previously, very low income is ≤ 50% of the area median income; low income is either ≤ 80% of the area median income or 100% of the national median income, whichever is **lower**. In the case of Santa Barbara County, the figure for 100% of the national median income is lower than that of 80% of the area median income, so that number $38,600, is used to determine the low income category. Moderate income is ≤ 120% of the area median income and above moderate income is > 120% of the area median income.

TABLE 19

Income Eligibility Criteria for Affordable Housing
City of Santa Barbara
1992

Persons per Household	Very Low	Low	Median	Moderate
1	$17,200	$27,000	$34,400	$41,300
2	19,700	30,900	39,400	47,300
3	22,150	34,750	44,300	53,150
4	24,600	38,600	49,200	59,050
5	26,550	41,700	53,100	63,700
6+	28,550	44,800	57,100	68,500

sources: U.S. Housing and Urban Development
State Department of Housing and Community Development

Supply/Demand Indicators

Overcrowding

Overcrowding is a measurement of the number of people in a house. It can serve as a warning sign that a community does not have an adequate supply of affordable housing and/or housing units for large families. In addition, overcrowding can have negative effects on the health and safety of those living in overcrowded units. The U.S. Department of Housing and Urban Development defines overcrowding as 1.01 or more persons per room per unit. This includes all rooms except bathrooms, hallways, storage areas and balconies. (For a complete list, see the Glossary of Terms under Overcrowding.) According to 1990 Census data, 3,646 units (10.6%) were "overcrowded," almost double the rate from 1980 (1,786 units, 5.5%). The most significant change is for renter occupied units: in 1980, 6.9% of all such units were overcrowded; in 1990, 15.3% were overcrowded, a 126% increase. See Table 20. Santa Barbara's overall overcrowding rate of 10.6% is comparable to the overcrowding rate for the County (10.3%) and for Lompoc (10.9%), is less than the State's overcrowding rate (12.3%), and much less than Santa Maria's (16.8%).

TABLE 20

Housing Characteristics - Overcrowding
City of Santa Barbara
1970 - 1990

Year	Overcrowded Renter Units	Overcrowded Owner Units	Total Overcrowded Units	Total Occupied Units	Percent Overcrowded
1970	NA	NA	1,543	28,146	5.4%
1980	1,310	476	1,786	32,509	5.5%
1990	3,041	605	3,646	34,348	10.6%

NA Information not available

source: 1970, 1980, 1990 Census

Affordability

The dynamics of supply and demand can be indicated by measuring the portion of a household's income that is spent for housing. For the renter, this figure would include rent and utilities; for the owner, this figure

would include monthly housing payment (mortgage, insurance and taxes) and utilities. This measurement is often expressed in terms of overpayers: households paying an excessive amount of income for housing. This indicator is an important measurement of local housing market conditions because it not only reflects the affordability of housing in the community, but it is also one standard that federal and state agencies use to determine the extent and level of housing and community development assistance that should be allocated to the household and the community.

The standard measurement of housing affordability used by many agencies is that very low and low income households should spend no more than 30 percent of their income for housing. Income data from the 1990 Census is shown on Table 6. Table 21 shows how many households overpaid for housing. Of the City's total households in 1990, 14,207 (10,461 renters or 33% of all households and 3,746 owners or 12% of all households) paid more than 30% of their income on housing. Approximately 6,600 very low income households and 4,400 low income households paid more than 30% of their income for housing.

Vacancy

The balance between supply and demand in the City's housing market is usually indicated by the vacancy rates and affordability of the housing stock. High vacancy rates usually indicate low demand and/or high supply conditions in the housing market. Conversely, low vacancy rates usually indicate high demand and/or low supply conditions in the housing market. However, vacancy rates are not the sole indicator of market conditions. They must be viewed in the context of all the characteristics of the local and regional market and economy.

Vacancy rates which indicate "market balance" (a condition where rates indicate an acceptable level of vacancy) are generally accepted to be from 1.0 to 3.0 percent for single family, and from 3.0 to 5.0 percent for multifamily. In 1990, the City's vacancy rates were high for both types of housing: 832 (4.1%) for single family, 1,046 (5.8%) for multifamily, and 1878(5.2%) for all types of units. See Table 22.

It is important to note that the Total 1990 vacancy rate of 5.2% includes units that, even though vacant, are not available for rent or sale. This includes units that are for rent for occasional, seasonal or recreational purposes; units that have been rented or sold, but not yet occupied as of the date of the census; and units being held for a janitor or caretaker, for repairs or modernization or for personal reasons of the owner (i.e. probate). These units should not be included in the vacancy rate because they are not on the market and available for rental or purchase. At best, the 1990 vacancy rate would be 3.06% (vacant for sale plus vacant for rent units). In addition, the rental units vacant would include both assisted and unassisted units as well as units available only to senior citizens.

TABLE 21

Income Characteristics - Level of Payment for Housing as a Percentage of Household Income
City of Santa Barbara
1990

	INCOME						
% OF INCOME	**$0-9,999**	**$10,000-19,999**	**$20,000-34,999**	**$35,000-49,999**	**$50,000+**	**Total**	**Percent**
RENTER							
0-19%	65	118	365	931	2,157	3,636	19%
20-24%	70	91	818	871	701	2,551	13%
25-29%	197	278	1,106	724	307	2,612	14%
30-34%	162	363	1,084	424	139	2,172	11%
35+ %	2,381	2,911	2,456	535	6	8,289	43%
OWNER							
0-19%	126	623	1,254	1,082	3,364	6,449	53%
29-24%	83	86	119	122	628	1,038	9%
25-29%	25	11	54	105	681	876	7%
30-34%	9	50	65	105	555	784	7%
35+ %	355	214	571	617	1,205	2,962	24%
TOTAL							
0-19%	191	741	1,619	2,013	5,521	10,085	32%
20-24%	153	177	937	993	1,329	3,589	11%
25-29%	222	289	1,160	829	988	3,488	11%
30-34%	171	413	1,149	529	694	2,956	10%
35+ %	2,736	3,125	3,027	1,152	1,211	11,251	36%

Source: 1990 Census

The vacancy rate is only one factor that determines market balance. According to the generally accepted theory of supply and demand, one would expect that a high vacancy rate would lead to lower rents which would, in turn, lead to fewer overcrowded units because there would be more units available. Santa Barbara is in an interesting situation because its vacancy rate is at a level that would normally indicate a market balance; however, residents of Santa Barbara are still experiencing overcrowding (10.6%).

TABLE 22

Housing Characteristics - Vacancy
City of Santa Barbara
1970 - 1990

Tenure	1970	1980	1990
For Sale			
<6 Months	107	184	180
>6 Months	36	29	134
Subtotal	143	213	234
For Rent			
<2 Months	781	521	87
>2 Months	120	143	788
Subtotal	901	664	875
Other	380	539	69
Total Vacant	1,424	1,416	1,878
Total Number Housing Units	29,570	33,925	36,226
Vacancy Rate	4.8%	4.2%	5.2%

source: 1970, 1980, 1990 Census

Assessment of "At Risk" Assisted Units

Section 65583(a)(8) of the Government Code requires that the Housing Element analyze,

> "...existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions..."

"Assisted housing developments" are defined in State law as,

> "rental housing that receives government assistance under federal programs...state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees...multifamily rental units that were developed pursuant to local inclusionary housing programs or used to qualify for a density bonus..."

The City of Santa Barbara and the Santa Barbara Redevelopment Agency (RDA) have produced or converted to affordable use just over 1,800 units, through subsidy, regulatory methods, or a combination of the two. In addition, units have been produced by the Housing Authority through the HUD public housing program and by private developers using federal programs. Most of the units which received City/RDA subsidy or had regulations imposed are required to remain affordable for thirty years. Because these units were constructed during or after the early 1970s, none are at risk of being converted to market rate units soon.

Mortgage Revenue Bonds

Multifamily Rental Housing Financing Program

Table 23 lists bond financed projects with affordability requirements that will expire or be subject to analysis within the next decade. The eleven projects outlined in Table 23 (82 units) include ten-year affordability requirements. These projects were constructed using financing from tax exempt mortgage revenue bonds. One assisted unit (project #2) under this program is at risk of being converted to a market rate unit within the next decade. The remaining ten projects include Planning Commission Conditions of Approval that require that the assisted units be maintained as affordable to low income residents for "...as long as feasible as determined by the Community Development Director." These projects will be subject to an analysis as to whether affordability remains "feasible."

The Housing Element is a five year document that will be revised in June 1997, therefore the eleven projects have been organized into two five year lists. As can be seen from Table 23, most of the ten-year restrictions will expire before 1997 and the assisted units will be at risk of being converted

to market rate units unless the Community Development Director determines that it is feasible to maintain them as affordable.

Five of the projects (#s 4, 5, 6, 10, and 11: 29 units) were developed as condominium projects, but were not sold. Instead, they are being rented at affordable rates during the ten year restricted period. The loan agreements with the RDA require that the affordable units within these projects be sold at rates affordable to the low or moderate income population at the expiration of the restricted period. Therefore, the units will continue to be restricted, although they will become ownership units affordable at 100 percent of the median income rather than rentals affordable at 80 percent of the median income.

Five other projects (#s 1, 2, 7, 8, and 9: 12 units "at risk") will require some local effort to prevent conversion of affordable units to market rate units during the first five year period. These five projects were financed with mortgage revenue bonds, and have ten year restrictions which will expire within the first five year period. One project (#2) contains no restrictions beyond the ten year period for one unit, although the other will remain affordable in perpetuity. It could be very difficult to prevent conversion of these affordable units to market rate units since they are owned by for profit developers who may not desire to sell. The affordable units are at this time rented through the Section 8 program; it cannot be assumed that Section 8 will be a sufficient incentive to keep the projects affordable.

Two options exist for the twelve units whose affordability restrictions will expire or be subject to further analysis during the first five year period. The existing first mortgages of these projects will be due at the same time the affordability restrictions expire. Because the interest rates of these first mortgages are extremely low at this time (6.938%), the first and most logical option would be to attempt to refinance the existing first tax exempt note with another below market interest rate (BMIR) loan, preferably a tax exempt loan. The City's Housing and Redevelopment Division is beginning to explore this option at the present time with local financial institutions, including the current holder of the first mortgage.

Each of the projects also carries a RDA second mortgage; therefore, if the project owner does not desire to refinance with a tax exempt note, the RDA could require that the assisted units remain affordable for thirty years as a condition of the subordination of its second mortgage to the new first mortgage.

Item 2.9.3 in Table 31 provides the specific actions and time frames involved in carrying out the strategies related to preserving the long-term affordability of the bond-financed at risk units.

TABLE 23

Federal Tax Exempt Bond Projects with Expiring Use Provisions
City of Santa Barbara
1992

	Project Name	Total # Units	# Aff. Units	Type of Restriction	Expiration Date	Comments
	FIRST FIVE YEAR PERIOD (7/92 - 6/97)					
1.	209 West Cota Street	6	2	Senior	7/95	At Risk
2.	432 West Valerio Street	10	2	Low Income	8/95	One unit affordable in perpetuity. One unit at risk.
3.	New Carrillo Hotel	172	43	Senior	9/95	At Risk
4.	1215 Quinientos Street	14	3	Low Income	9/95	Will convert to below market rate condominiums at expiration of restrictions.
5.	417-421 West Anapamu Street	10	2	Low Income	6/96	See Above
6.	521 West Montecito Street	14	3	Low Income	6/96	See Above
7.	616 West Mission Street	6	2	Senior	8/96	At Risk
8.	1920 San Pascual Street	14	5	Senior	9/96	At Risk
9.	1511 Bath Street	10	2	Senior	5/97	At Risk
	SECOND FIVE YEAR PERIOD (7/97 - 6/02)					
10.	811-815 Salsipuedes Street	13	3	Low Income	4/98	Will convert to below market rate condominiums at expiration of restrictions.
11.	521 North La Cumbre Road	60	18	Senior	4/99	See Above

Industrial Development Bond Financed Project - New Carrillo Hotel

The New Carrillo Hotel (#3) is financed through an Industrial Development Bond. Like the previous ten projects, the New Carrillo Hotel carries a ten year affordability requirement. This is an extremely large project (172 units, 43 affordable units) which needs upgrading as required by the City's recently adopted Seismic Safety Ordinance. The bonds are at a variable interest rate with a twenty year term (ten years longer than the affordability period). After the expiration of the ten year affordability period, continued operation of the New Carrillo Hotel as an affordable project is purely voluntary.

The developer of the New Carrillo Hotel has considered use of California Housing Rehabilitation Program (CHRP) funds for projects requiring seismic upgrade. However, the rents allowed by CHRP are not sufficient to pay for both the project's operating costs and debt service. The developer is willing to sell the property to the City Housing Authority or to a nonprofit, but the settlement of a price acceptable to all parties (developer, Housing Authority and RDA, the likely source of financing for costs beyond those funded by CHRP) has not been reached after several years of negotiations, and the developer has spoken of a desire to convert this project to a luxury hotel at the end of the affordability period.

There are regulations in effect which require the replacement of dwelling units with affordable dwelling units when residential buildings are converted to, or demolished and replaced with commercial structures. These regulations were adopted by the voters as a part of a City Charter amendment in 1989. It is not clear whether these requirements will apply to the New Carrillo Hotel since it is a residential hotel (which is not specifically required to replace units), and not a licensed care facility (which is required to replace units). In addition, although the Hotel could remain residential, it could cease to be affordable.

Housing and Redevelopment Division staff is working with the owner of the New Carrillo Hotel to maintain its affordability. In October, 1992, the Division contracted with the California Housing Partnership Corporation (CHPC) to assist in developing an equitable proposal for additional public subsidy in exchange for 30 more years of affordability. The proposal will be based on a study of all relevant factors, including: 1) the potential for credit enhancement for the project to be provided through public funds; 2) the potential for refinancing the tax exempt first mortgage bond when it becomes due in the year 2005; and 3) the potential for expansion of the Hotel into a State-licensed care facility. Item 2.9.4 in Table 31 provides the specific actions and time frames involved in carrying out this preservation strategy.

Federally Financed Projects

Table 24 lists the three projects in the City that are eligible to either prepay their mortgages and/or "opt out" of their Section 8 rental assistance contracts. These projects are all financed by the U. S. Department of Housing and Urban Development (HUD). Under HUD regulations, developers of affordable developments may "opt out" of Section 8 rental assistance contracts (i.e. after a specified length of time, the developers can apply to remove the affordability restrictions). The first project, Sycamore Gardens, is eligible for prepayment in 1994. This project was purchased in 1989 by the City Housing Authority using public housing funds and, therefore, is no longer at risk of being converted to a market rate project.

The second project, Presidio Park Apartments, has already had its affordability requirements renewed for an additional five years. This means that it will not be eligible to opt out of its Section 8 rental assistance contract until 1999. However, because of the nature of the HUD mortgage financing, the project will not be eligible for assistance under the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA), and there will be no requirement for continued affordability of this development. In order to preserve this development as affordable, the Redevelopment Agency and the Housing Authority have already begun meeting with the developer to insure some form of transfer of this project to the Housing Authority before 1999. The staff of the CHPC is working with the Housing Authority on this transfer. Potential sources of funds include tax exempt bonds, Redevelopment Agency housing set aside funds, Section 8 operating reserves and HOME funds.

The third project, Pilgrim Terrace, is not eligible for prepayment or opt out during the next decade. In addition, this project carries thirty year affordability restrictions associated with City financing for the project so that the affordability restrictions will not expire prior to 2010.

Options for the Preservation of "At Risk" Affordable Units

Because of the high costs of land and construction, it is clear that preservation of existing affordable units would be financially advantageous over the construction of new units. Between land and construction costs, new units could not be created for less than $100,000 per unit. Preservation of existing affordable units through refinancing notes would probably cost less than $75,000 in total administrative costs. However, these notes would be subject to State approval for private activity bond issues.

TABLE 24

Federally Assisted Projects*
City of Santa Barbara
1992

Project Name	Total Number of Units	Type of Restriction	Expiration Date	Comment
Sycamore Gardens	20	Low Income	See Comment	Purchased by the Housing Authority in 1989. No longer subject to expiring use provision.
Presidio Park Apartments	50	Family and Senior	12/99	Subject to Section 8 opt out.
Pilgrim Terrace	84	Senior	2010	

* Projects listed in the publication Inventory of Low Income Rental Units, Subject to Termination of Federal Mortgage and/or Rent, prepared for the California Housing Partnership Corporation.

An option may be to work with either the Housing Authority, Community Housing Corporation or any new nonprofit corporation that might be formed for the purpose of acquiring and managing rental housing. These entities could attempt to purchase the bond projects for conversion to affordability either permanently or for an additional thirty years. This would be a less costly option than new construction because each of the bond projects has a substantial second mortgage provided by the Redevelopment Agency and payable on a residual receipts basis (as cash flow permits). These second mortgages average approximately $15,000 per unit. In this scenario, the Redevelopment Agency would provide equity capital for the down payment on the project, and the nonprofit would seek favorable first mortgage loans from the Federal Home Loan Bank, Savings Association Mortgage Company (SAMCO) or any other institution making Community Reinvestment Act loans. The total cost per unit of this option would probably not exceed $75,000 per unit.

The New Carrillo Hotel would be a difficult project to replace should it cease to be affordable. Potential replacement projects include the Villa Santa Barbara, a 142 room senior project which recently was taken over by the Resolution Trust Corporation (RTC). The RTC viewed this property as a high end commercial property and recently turned down an

offer from the Housing Authority that would have resulted in use of the property for affordability purposes. The property has since been sold at market rate to an out of town investor.

Other facilities in town that might accommodate a similar use are the Virginian and the Californian hotels. The Virginian is a similarly sized facility, but it is in serious need of rehabilitation, including seismic work. It is located in a less desirable part of town than is the New Carrillo and for that reason would probably not be suitable for seniors. The Californian is a much smaller facility than the New Carrillo. Both of these hotels currently house very low income persons on a weekly or monthly basis and therefore serve as nonregulated affordable single room occupancy (SRO) housing; therefore, conversion to a senior residential hotel would displace others who are in need.

Housing and Redevelopment Division staff has been working with the owners of both the Virginian and the Californian to avert potential displacement of existing residents through the process of seismic upgrade. To date, neither has committed to the City's offer to provide bond financing for seismic improvements or to assist in application for the CHRP program.

One major problem exists with all of the projects initially provided through bond issues. None of the projects are subject to any established procedures, Federal or otherwise, related to the expiration of affordability requirements. In all cases, should the owners not elect to extend their affordability requirements or should they be willing to prepay their Redevelopment Agency financing, the affordability of the units could be lost. As has been explained elsewhere, in some instances it may be difficult to come up with a combination of incentives to persuade these owners to retain their projects as affordable.

Analysis of Resources for Preservation

State law requires an analysis of the financial resources available to the local jurisdiction to carry out preservation activities for at risk projects. Many of the resources described below have already been mentioned in conjunction with each specific project as possible financing sources for preservation.

As has been mentioned above, there are no projects in Santa Barbara eligible for LIHPRHA (or for its predecessor, the Emergency Low Income Housing Preservation Act.) Thus, none of the Federal resources provided through that legislation are available for preservation activities in Santa Barbara.

The City does have a variety of other financing programs available, however. Many of these can be spent on a variety of projects and programs at the discretion of the City and/or Redevelopment Agency; however, some, such as McKinney Act funds, must be applied for on a project-by-project basis.

Community Development Block Grant Funds (CDBG)

The City is an entitlement community and annually receives approximately $1 million in these funds. Of these, the largest proportion goes to housing capital programs. These capital funds are used to finance the administration and loan activities of the Housing Rehabilitation Loan Program (HRLP). Although the focus of the HRLP is single-family owner-occupied home rehabilitations, it has often provided assistance to multifamily projects of the Housing Authority, the nonprofit housing developers, Transition House or for-profit developers. The loan fund available to the HRLP in any given year is just under $1 million in repayment and newly allotted funds, and these would be available for preservation activities should rehabilitation be necessary.

Typically a small contribution to the City's Housing Development Fund is also made through the CDBG, in the amount of $50 - 200,000, depending on the priorities for the year. These funds could be used for preservation activities if warranted.

Redevelopment Agency Housing Setaside Fund

This fund is the bulwark of the City's affordable housing finance program. It has been growing steadily since the completion of the Paseo Nuevo retail shopping center in 1989. The 20 percent contribution for the 1992-93 fiscal year is $1.6 million. With program income (repayment of loans and interest on deposits), minus administrative costs, this years capital fund is approximately $2.6 million. The Agency spends virtually all of its funds every fiscal year. By State law, the housing setaside fund must be considered for preservation projects. Unless setaside funds were completely depleted by other projects, the setaside will be used for preservation activities. Housing setasides are being actively considered as a source of subsidy for potential preservation of the New Carrillo Hotel.

HOME Funds

In F.Y. 92 the City received $764,000 in HOME funds. The F.Y. 93 amount is likely to be less by one-third, since the Federal allocation was reduced from $1.5 billion to $1 billion. Assuming that the strict targeting of the HOME program could be met, as well as the rules related to double

subsidy, HOME funds would be considered for preservation activities. The HOME fund is being considered at present for the preservation of the New Carrillo Hotel.

Housing Mitigation Fund

The two sources of money for this fund are the Socioeconomic Monitoring and Mitigation Program (SEMP) applied annually to oil industry development activities, and the in lieu fees pursuant to the Housing Mitigation Ordinance. The SEMP program has brought approximately $570,000 to the City so far in mitigation from 1986 through 1989. The in lieu fees will bring less than $100,000 annually to the fund. This fund will be considered for use for preservation activities. However, because targeting requirements are less stringent for this fund than the CDBG, HOME or Redevelopment Agency funds, the Housing Mitigation Fund would probably be most appropriate for moderate income projects, including the acquisition of the units funded through the tax exempt bond program that will convert to condominiums at the end of the affordability period.

Section 8 and Other Housing Authority Reserves

The Housing Authority receives approximately $800,000 annually in Section 8 administrative fees from HUD. It does not receive public housing operating subsidies. In addition, occasionally the Housing Authority makes some income from use of money and property (for example, interest income or sale of donated properties).

However, only about 5 - 10 percent ($40 - 80,000) of the Section 8 fees are placed in reserves after payment of all administrative costs associated with the Section 8 program. This is because the Santa Barbara City Housing Authority has a relatively high administrative burden associated with high turnover in units and clientele. In addition, the Housing Authority is an active affordable housing developer. Besides an inventory of 154 public housing units developed (and approximately 35 more in the pipeline), the Housing Authority has developed a stock of 182 non HUD-assisted housing with the aid of City/Redevelopment Agency financing. Any Section 8 reserves, as well as intermittent funds from use of money and property, is typically used on these developments in order to reduce the amount of necessary City/Agency subsidy. Currently, the Housing Authority Section 8 reserves total $67,000.

Nonetheless, prior to funding any Housing Authority project, the City/Redevelopment Agency requires an analysis of all funding sources available to the Housing Authority. Therefore, it is anticipated that any

available Section 8 or other reserves could be a source for financing the preservation of the Presidio Park project.

Community Reinvestment Act Lending

Recently the Redevelopment Agency hired the Development Fund to assist in the development of a multifamily housing financing program to facilitate construction and permanent mortgage financing for affordable projects through conventional lenders. This program comes at the apex of year-long efforts on the part of Agency staff to encourage Community Reinvestment Act (CRA) lending on the part of local lenders. Already, local projects have utilized the SAMCO, the California Community Reinvestment Corporation, and the Affordable Housing Program of the Federal Home Loan Bank. Any of these sources of funds would be encouraged for local preservation activities, particularly for the refinancing of existing tax exempt bond issues.

Displacement of Residents

Through the conversion of certain bond projects from rental to affordable condominium ownership, approximately 29 rental households are in danger of losing their units within the decade. As these households will retain their Section 8 certificates or vouchers, they may be able to find comparable replacement housing either in the general housing market or among units added to the affordable housing stock by the City's home rehabilitation loan program.

SECTION IV

CONSTRAINTS

SUMMARY

This section of the Housing Element includes a description of the constraints upon the maintenance, improvement or development of housing for all income levels. The constraints are discussed in two contexts:

- Governmental: Including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures.
- Nongovernmental: Including the availability of financing, price and availability of land, and the cost of construction.

Governmental Constraints

Governmental regulation, while an inevitable and necessary activity, can, if not tempered, have a limiting effect on attempts to provide affordable housing. These regulations can involve direct constraints such as land use and development controls or indirect constraints such as fees that result in added costs.

The primary focus of this section will be on identifying those governmental restrictions which Santa Barbara itself can remove or minimize in order to facilitate housing development in general, and affordable housing in particular.

Land Use Controls

Land use controls can take a number of forms that would impact the development of residential units. The General Plan establishes the overall character and development of the community; designation of residential land use is an important guide. The City's General Plan identifies a broad range of residential land use categories throughout the City ranging from one unit to 27 units per acre. The General Plan goals and policies support the opportunity for a broad range of housing types and densities.

Local land use controls also include the Zoning Ordinance which shapes the form and intensity of residential development. The City's Zoning Ordinance allows a range of zones and dwelling unit densities from one unit per acre (single family) to 27 units per acre (multifamily). These zones also allow mobile home and emergency shelter units. The minimum dwelling unit size for single family residences, duplexes, and multifamily units are 720, 600 and 400 square feet, respectively. Minimum setbacks for residential use range from 5 to 15 feet for the side yard, and from 10

to 35 feet form the front yard. Maximum building height ranges from 30 feet in the single family zones to 45 feet in the multifamily zones.

Although a range of densities, setbacks, minimum dwelling unit sizes and building heights allow for a variety of residential land uses, over time the market cost of land has increased such that affordable "least cost housing" is difficult to achieve under current density limits. Least cost housing is the least expensive, unsubsidized housing the private market can provide. Zoning which limits the density of housing units means that high land costs must be absorbed by fewer housing units than might otherwise be economically desirable. This causes the cost of an individual unit to increase.

Higher density would permit the private market to develop housing at a lower cost per unit; however, higher density does not necessarily result in lower priced units, as the housing market determines the price at which a unit will sell. The City, through its Bonus Density Program, allows increased density in return for price/rent controls for some or all of the units in a development. Granting bonus density units to projects can reduce the per unit costs significantly and allow the development of some or all of the units as affordable to low or moderate income households.

Development Review Process

The development review process is an important tool in ensuring that new housing meets all necessary health and safety codes, conforms to architectural and aesthetic design standards for neighborhood compatibility, is supplied with all necessary utilities and infrastructure and does not have a significant impact on the environment. Yet, the development review process can also constrain opportunities for the development of lower income housing, particularly through the indirect cost of time in the process and fees.

Projects which do not require discretionary review are referred to as "ministerial" projects. Ministerial projects are not subject to CEQA, and would receive no environmental review. No adverse impacts are expected from ministerial projects because of their limited size and scope. Projects requiring discretionary review, such as review by the Planning Commission or one of the design review boards would be subject to the California Environmental Quality Act (CEQA), and would undergo the appropriate level of environmental review. This consists of a Master Environmental Assessment review to determine the project's location relative to sensitive areas. It is anticipated that most small projects which are reviewed would be categorically exempt from CEQA, and will receive no further environmental review. If warranted, an Initial Study may then be prepared to identify any potential adverse impacts. Table 25 shows various residential projects and their typical environmental and discretionary review.

The City's development review process is structured to allow for early identification of resource, zoning, planning, design and infrastructure issues. For certain types of projects (subdivisions, etc.), the applicant must attend a preapplication meeting with the Development Review Committee, which is made of up Staff members from various City departments. Following the submittal of an application, all data and exhibits are distributed to those agencies and departments which will be reviewing the development proposal. Consistent with the State Streamlining Act, the City must determine within 30 days if the data and exhibits are complete and notify the applicant accordingly.

As required by the California Environmental Quality Act (CEQA), environmental review is conducted on all projects. If a project is categorically exempt from CEQA, the project proceeds directly to the Planning Commission for review. If the project is not exempt, an initial study is conducted to identify potential adverse environmental impacts that may be associated with the project and to determine the appropriate environmental review. If a Negative Declaration or Environmental Impact Report (EIR) is required, its preparation is directed by the Environmental Analyst. The draft environmental document is posted for public review and comment, as required by CEQA. If an EIR is required, the ERC holds a public hearing to take public comment and, at a later date, certifies the EIR.

During the environmental review process, the Master Environmental Assessment (MEA) is used to determine the need for special studies (i.e. geology and soils, traffic, cultural resources) or if environmental thresholds are exceeded. The MEA was adopted by the City in 1979 and updated in 1981 and 1986. It contains information that helps pinpoint when additional studies are required. It has helped to reduce the number of EIRs that might have been required due to lack of knowledge about a site.

Public notice is made, and a public hearing is held by the Planning Commission. If a Negative Declaration was required, the Planning Commission adopts it at this public hearing. If an EIR was required, the Planning Commission adopts the findings and mitigation measures of the EIR and can make a statement of overriding considerations if it is warranted. For housing projects, affordability can be the basis for a statement of overriding considerations. If the project involves a zone change, the zone change is heard by the Planning Commission, which makes recommendations to the City Council. Any person has the right to appeal any decision of the Planning Commission. City Council hears the appeals. Most projects are reviewed by one of the design review boards in addition to Planning Commission review (See Design Review).

TABLE 25
Various Projects and Their Required
Environmental and Discretionary Review
City of Santa Barbara
1993

TYPE OF PROJECT	Ministerial	Master Environmental Assessment Checklist	Exemption from CEQA*	Negative Declaration or Environmental Impact Report**	Design Review	PC
Single Family Residence, No ABR Required ▸ Not subject to Neighborhood Preservation Ordinance (examples) · Not in Hillside Design District · Less than 2,500 s.f.	●					
Single Family Residence, ABR Required ▸ Subject to Neighborhood Preservation Ordinance (examples) · Hillside Design District · Greater than 4,000 s.f. · Greater than 0.35 FAR · Greater than 50% addition		●	●		●	
Single Family Residence, PC Required ▸ Subject to Neighborhood Preservation Ordinance (examples) · EIR required · Hillside District and: Greater than 6,500 s.f. or Grading > 500 cubic yards		●		●	●	●
Duplex, ABR not required ▸ Single story and rental ▸ Less than 4,000 s.f. ▸ Less than 0.35 FAR	●					
Duplex, ABR Required ▸ Two story and rental ▸ Located in Special Design District		●	●		●	
Apartments, 3 - 6 units		●	●		●	

See footnotes on next page

TYPE OF PROJECT	Ministerial	Master Environmental Assessment Checklist	Exemption from CEQA*	Negative Declaration or Environmental Impact Report**	Design Review	PC
Apartments, 7+ units		●		●	●	
Condominium, 2 - 6 units		●	●		●	●
Condominium, 7+ units		●		●	●	●
Single Family Subdivision		●		●	●	●
Condominium Conversion		●	●		●	●
Conversion, Nonresidential to Residential ▸ No ABR Required (examples) · Results in SFR which doesn't require ABR review (see above) · Not located in a special design district	●					
Conversion, Nonresidential to Residential ▸ ABR Required (examples) · Results in more than 2 units · Results in two story duplex · Located in a special design district		●	●		●	
Conversion to a Group Home		●	●		●	***
Construction of a Group Home		●	●		●	***

* In some cases, a Negative Declaration or EIR may be required due to site conditions.

** In some cases, the project may be exempt from CEQA.

*** Planning Commission review of group homes is required if more than 12 occupants are proposed.

Note: All projects listed below assume that all standards and requirements of the Zoning Ordinance are met. Projects requiring modifications, variances or conditional use permits require additional discretionary review by the Modification Hearing Officer or the Planning Commission.

Note: The Historic Landmarks Commission reviews all projects located in the El Pueblo Viejo district or an identified historical resource. The Architectural Board of Review reviews all other design review projects.

Note: The Planning Commission reviews all EIRs and receives notices for comment on all Negative Declarations.

The processing time for a residential development project varies depending on its size and complexity. Projects requiring an environmental impact report, special zoning permits or modifications, those denied by Planning Commission and appealed to City Council and those with design problems can take considerably more time than less complex projects. Tables 26, 27, and 28 show typical processing times for various projects. In each table, a range of time is shown. The simpler projects take less time than the more complex projects, and some projects can take less time than that shown, while others can take longer. Table 26 shows the timeline for all development applications which require Planning Commission approval. These include subdivisions, condominiums, Planned Unit Developments, Conditional Use Permits and Modifications. Tables 27 and 28 show the timelines for simpler projects which do not require Planning Commission review.

As can be seen in the tables, some steps are dependent on the applicant. An assumption has been made regarding the amount of time an applicant takes to complete those steps, but applicants can take more or less time to complete the steps. Because of holding costs and inflation, the longer the approval process takes, the higher the cost to develop the project. To the extent possible, the City facilitates and expedites affordable housing projects. Strategies 5.1.2, 5.1.3, 5.1.4, 5.1.5 and 5.2.15, which further expedite the necessary review process will assist developers in building less expensive housing.

Building Codes and Enforcement

The City has adopted and enforces the Uniform Building Code, the National Electric Code, the Uniform Mechanical Code and the Uniform Plumbing Code which ensure that all housing units are built to specified standards. These codes are substantially determined by technically qualified professional groups and adopted by most cities and the State of California. The City has adopted the codes with few administrative amendments. In addition, the City has adopted and enforces the Historical Building Code which allows some flexibility in the standards for registered historical landmarks. These standards do not significantly increase construction costs.

Code enforcement is conducted by the City and is based upon a complaint basis throughout the City. Rehabilitation loans, which are described in the rehabilitation program section of the element, are available as well.

Site Improvements

Site improvements typically occur in conjunction with the development of residential parcels. Through the completion of a development application, various municipal departments (public works, fire, land use controls), county agencies (flood control) and utility companies (gas, electricity)

TABLE 26

Timeline for Residential Projects which Require Planning Commission Review

(Tentative Subdivision or Parcel Maps including Condominiums and Condominium Conversions, Planned Unit Developments, Planned Residential Developments, Variances, Coastal Development Permits, Development Plan Approval, Conditional Use Permits, Modifications)

	EVENT	TIME	TOTAL TIME
1.a.	Submittal for Pre-application Meeting (Development Review Committee)	BEGIN TIMELINE	BEGIN TIMELINE
b.	Pre-application Meeting (Development Review Committee)	2 weeks	2 weeks
2.a.	Submittal for Pre-application Review by the Architectural Board of Review	**Dependent on applicant**, assume 2 - 4 weeks	4 - 6 weeks
b.	Pre-application Review by the Architectural Board of Review	1 - 3 weeks	5 - 9 weeks
3.a.	First Planning Commission Application Submittal	**Dependent on applicant**, assume 2 - 4 weeks	7 - 13 weeks
b.	First Application Review for Completeness by Planning Staff Additional information is usually required of the initial application submittal because first applications are often incomplete.	4 weeks	11 - 17 weeks
c.	Second Application Review Submittal	**Dependent on applicant**, assume 4 weeks	13 - 21 weeks
d.	Second Application Review/Project Declared Complete	2 - 4 weeks	15 - 25 weeks
4.	Preparation of Initial Study and Draft Negative Declaration	4 - 6 weeks	19 - 31 weeks
5.	Public Review Period for the Draft Negative Declaration	3 weeks	22 - 34 weeks
6.	Planning Commission Review	2 - 4 weeks after end of N.D. public review period	24 - 38 weeks

IF AN ENVIRONMENTAL IMPACT REPORT IS REQUIRED, **ADD 4 - 6 MONTHS** FOR PREPARATION AND CIRCULATION OF THE DRAFT EIR, AND **2 - 3 MONTHS** FOR CERTIFICATION OF THE FINAL EIR

TABLE 27

Timeline for Projects which Require Modifications Heard by the Modification Hearing Officer and are exempt from the California Environmental Quality Act (CEQA)

(Multi-family rental, duplex rental, some single family residential*)

	EVENT	TIME	TOTAL TIME
1.a.	Submittal for Modification Hearing	BEGIN TIMELINE	BEGIN TIMELINE
b.	Modification Hearing	3 - 5 weeks	3 - 5 weeks
2.a.	Submittal for Architectural Board of Review (ABR) Preliminary Approval	**Dependent on applicant**, assume 2 - 4 weeks	5 - 9 weeks
b.	ABR Preliminary Approval (including environmental review) Depends on ABR's approval of the submitted design	4 - 6 weeks	9 - 15 weeks
3.a.	Submittal for Final Approval Final approval requires working drawings	**Dependent on applicant**, assume 3 - 4 weeks	12 - 19 weeks
b.	ABR Final Approval	2 weeks	14 - 21 weeks

* Some single family residences require modifications only, i.e. design review is not required.

TABLE 28

Timeline for Development Projects which Require Design Review only and are exempt from the California Environmental Quality Act (CEQA)

(Multi-family rental, duplex rental, some single family residential)

	EVENT	TIME	TOTAL TIME
1.a.	Submittal for Architectural Board of Review (ABR) Preliminary Approval	BEGIN TIMELINE	BEGIN TIMELINE
b.	ABR Preliminary Approval (including environmental review) Depends on ABR's approval of the submitted design	4 - 6 weeks	4 - 6 weeks
2.a.	Submittal for Final Approval Final approval requires working drawings	**Dependent on applicant**, assume 3 - 4 weeks	7 - 10 weeks
b.	ABR Final Approval	2 weeks	9 - 12 weeks

review the residential development for conformity with development standards. Fees such as traffic mitigation or school fees are exacted just prior to the issuance of the building permit.

On site Improvements

The Transportation Division utilizes standards for parking design to determine adequacy of parking layouts. These standards were adopted by the City in order to provide adequate space for parking and access for the users of the parking facilities. Projects which do not meet the standards must apply for a modification of the requirement which can add time and cost to a project.

Off site Improvements

The Public Works Department's requirements for off site improvements are defined by standards which have been adopted by the City. The State Department of Housing and Community Development requires that the City investigate reduction in off site improvements as they add to the cost of residential development. Several examples of off site improvement reductions are given by HCD and are discussed in the following paragraph.

When appropriate, the Public Works Department recommends the reduction of right of way, street and sidewalk widths to the Planning Commission, which makes the decision. The City allows rolled curbs only where they exist because they pose safety issues. No significant cost savings are associated with rolled curbs in most instances. Sewer manholes are placed as far apart as possible, given the available City equipment, and the City allows multiple service laterals in Planned Unit Developments.

The City currently allows for common trenching for utilities as long as there are no health and safety violations and appropriate separations are maintained. The City has investigated reducing the size of water and sewer mains and has concluded that the majority of the cost associated with installing a water or sewer main is not in the pipe size, but in the actual trenching and replacement of the existing surface type. Reducing the size of water and sewer mains would be counterproductive, especially since a major portion of Santa Barbara is located in a high fire hazard area. It would not substantially lessen the cost to the applicant and would compromise the efficiency and effectiveness of the system, as well as public safety.

Fees and Other Exactions

The direct cost of development review fees and building permit fees adds to the cost of housing. Table 29 shows a general fee schedule for the City of Santa Barbara for a ten lot single family subdivision, a ten unit condominium project, a ten unit affordable condominium project, a ten unit apartment building, duplex condominiums, a rental duplex and a single family residence.

TABLE 29
Development Fees
City of Santa Barbara
1992

	10 SFR SUBDIVISION	10 UNIT CONDOMINIUM SUBDIVISION	10 UNIT AFFORDABLE CONDOMINIUM SUBDIVISION	10 UNIT APARTMENT BUILDING (Affordable or Market Rate)	DUPLEX CONDOMINIUMS (Affordable or Market Rate)	DUPLEX RENTAL	SINGLE FAMILY RESIDENCE
DEVELOPMENT REVIEW FEES							
Water Determination/Allocation	$70.00 *	$70.00 *	$70.00 *	$70.00 *	$55.00 *	$55.00 *	$55.00 *
Development Review Committee	$335.00 *	$335.00 *	$335.00 *	—	$255.00 *	—	—
Tentative Subdivision Map	$935.00 *	$935.00 *	$935.00 *	—	—	—	—
Environmental Assessment							
Categorical Exemption from CEQA	$95.00	$95.00	$95.00	$95.00	$75.00 *	$75.00 *	$75.00 *
Negative Declaration	$575.00 *	$575.00 *	$575.00 *	$575.00 *	$440.00	$440.00	$440.00
Environmental Impact Report	$5,155.00	$5,155.00	$5,155.00	$5,155.00	$3,965.00	$3,965.00	$3,965.00
Design Review							
Architectural Board of Review	$300.00 *	$300.00 *	$300.00 *	$300.00 *	$170.00 *	$170.00	$170.00
Landmarks Committee	$450.00	$450.00	$450.00	$450.00	$255.00	$255.00	$255.00
Modification							
First Modification	$415.00 *	$415.00 *	$415.00 *	$415.00 *	$385.00	$195.00	$195.00
Additional Modifications (Each)	$195.00	$195.00	$195.00 *	$195.00	$195.00	$95.00	$95.00
Coastal Development Permit	$1,765.00	$1,765.00	$1,765.00	$1,765.00	$1,360.00	$1,360.00	$1,360.00
Rezoning (PUD/PRD)	$1,190.00	$1,190.00	$1,190.00	--	$1,190.00	$1,190.00	--
BUILDING PERMIT FEES							
Zoning Plan Check	$145.00 *	$145.00 *	$145.00 *	$145.00 *	$90.00 *	$90.00 *	$90.00 *
Building Final Plan Review	$8,832.80 *	$7,704.40 *	$7,704.40 *	$3,012.37 *	$1,540.88 *	$1,540.88 *	$1,105.32 *
Building Permit	$13,588.90 *	$11,852.90 *	$11,852.90 *	$4,634.41 *	$2,370.58 *	$2,370.58 *	$1,700.49 *
Electrical Plan Review	$6,240.00 *	$540.00 *	$540.00 *	$228.00 *	$108.00 *	$108.00 *	$82.00 *
Electrical Permit	$1,248.00 *	$1,080.00 *	$1,080.00 *	$456.00 *	$216.00 *	$216.00 *	$164.00 *
Mechanical Plan Review	$490.00 *	$490.00 *	$490.00 *	$232.00 *	$98.00 *	$98.00 *	$50.50 *
Mechanical Permit	$980.00 *	$980.00 *	$980.00 *	$464.00 *	$196.00 *	$196.00 *	$101.00 *
Plumbing Plan Review	$827.50 *	$827.50 *	$827.50 *	$56.00 *	$165.50 *	$165.50 *	$82.75 *
Plumbing Permit	$1,650.50 *	$165.50 *	$165.50 *	$112.00 *	$33.10 *	$33.10 *	$165.00 *
Plan Storage	$300.00 *	$250.00 *	$250.00 *	$125.00 *	$50.00 *	$50.00 *	$6.00 *
State Charge	$3,990.00 *	$3,225.00 *	$3,225.00 *	$1,166.00 *	$645.00 *	$645.00 *	$551.25 *
Fire Department Plan Check	$280.00 *	$280.00 *	$280.00 *	$65.00 *	$56.00 *	$56.00 *	$55.00 *
Transportation Plan Check	$105.00 *	$105.00 *	$105.00 *	$105.00 *	$52.00 *	$52.00 *	$52.00 *
School Fees ($1.58/square-foot)	$28,440.00 *	$23,700.00 *	$23,700.00 *	$14,220.00 *	$4,740.00 *	$4,740.00 *	$3,950.00 *
TRAFFIC IMPACT FEES+							
Outer State Street	$22,391.70	$12,991.62	$12,991.62	$14,641.03	$2,598.32	$2,598.32	$2,239.17
La Cumbre Overpass	$10,887.00	$6,680.40	$6,680.40	$7,512.60	$1,336.08	$1,336.08	$1,088.70
Special District 2	$9,645.50	$5,918.60	$5,918.60	$665.90	EXEMPT	EXEMPT	EXEMPT
PUBLIC WORKS FEES							
Final Map	$1,865.00 *	$1,865.00 *	$1,865.00 *	—	$950.00 *	—	—
Water Meter and Connection	$13,950.00 *	$13,950.00 *	$13,950.00 *	$13,950.00 *	$2,790.00 *	$2,790.00 *	$1,395.00 *
Water Buy-in	$9,000.00 *	$9,000.00 *	$9,000.00 *	$9,000.00 *	$1,800.00 *	$1,800.00 *	$900.00 *
Sewer Connection	$3,280.00 *	$3,280.00 *	$3,280.00 *	$3,280.00 *	$656.00 *	$656.00 *	$358.00 *
Sewer Buy-in #	$17,700.00 *	$17,700.00 *	$17,700.00 *	$17,700.00 *	$3,540.00 *	$3,540.00 *	$1,770.00 *
Frontage Improvement Inspection							
Replacement of Existing (Assume 100 feet of frontage for all projects except single family residence (50 feet of frontage)							
10-30 Lineal Feet	$52.50	$52.50	$52.50	$52.50	$52.50	$52.50	$52.50
>30 Lineal Feet	+ $0.50/ft *	+ $0.50/ft *	+ $0.50/ft *	+ $0.50/ft *	+ $0.50/ft *	+ $0.50/ft *	+ $0.50/ft *
Plan Check	$50.00 *	$50.00 *	$50.00 *	$50.00 *	$50.00 *	$50.00 *	$50.00 *
Improvement Plans (Assume $20K Estimated)							
New Alignment	$1,150.00	$1,150.00	$1,150.00	$1,150.00	$1,150.00	$1,150.00	$1,150.00
Plan Check	$450.00	$450.00	$450.00	$450.00	$450.00	$450.00	$450.00
Driveway Inspection	$35.00 *	$35.00 *	$35.00 *	$35.00 *	$35.00 *	$35.00 *	$35.00 *
TYPICAL SCENARIO	$116,652.70	$99,957.80	$100,152.80	$70,498.28	$20,839.56	$19,464.56	$12,855.81
Fees followed by an asterisk (*) are those generally levied on typical projects.							
FEES PER UNIT	$11,665.27	$9,995.78	$10,015.28	$7,049.83	$10,419.78	$9,732.28	$12,855.81 flat $13,025.81 >20%

\+ These traffic fees apply only if the project is located in the Outer State Street area.
\# The sewer buy-in fee is charged only if the parcel is not currently served by the City's sewer system.

A significant portion of these fees however, are merely administered by the City and are actually assessed by other governmental entities. For example, the State charge and the Santa Barbara School District fee amount to 35% of the total fees assessed on a single family residence. Sewer and water connection and buy in charges, which reimburse the City for the provision of essential services for any housing project represent another 34% of the total fee package for a single family residence. The total cost of the remaining development review and building permit fees assessed on a single family residence, which include such ministerial items as electrical, plumbing and mechanical plan review account for only 1.2% of the cost of a median priced single family residence.

It also is important to note that the fees charged by the City do not recover the full cost of processing the applications. The City currently subsidizes the development review process.

Design Review

Santa Barbara is an area rich with architectural history and was one the first jurisdictions in the country to form an Architectural Board of Review. In addition, the City has a Historic Landmarks Commission which oversees the design of improvements to all buildings in the El Pueblo Viejo and Brinkerhoff Avenue Landmark Districts, and the designation of buildings as Landmarks or Structures of Merit. Almost every proposed development is required to be reviewed by either the Architectural Board of Review or the Historic Landmarks Commission.

At this time, projects that are approved by the Historic Landmarks Commission are required to be approved by the Architectural Board of Review (usually on the consent calendar). Projects that are exempt from review by the Architectural Board of Review are single family residences and single story duplexes which are on hillsides with a slope of less than 20%. In July 1992, the recently adopted Neighborhood Preservation Ordinance became effective. This Ordinance increases the number of single family and duplex housing projects that will be required to be reviewed by the Architectural Board of Review and the Planning Commission.

The requirements for design review could be viewed as an impediment to the development of housing; however, the purpose of the design review committees is to ensure compatibility with the surrounding neighborhood without placing undue restrictions on allowed uses of the building. The design review committees help higher density affordable projects to be accepted by the community by making sure that they are compatible with the neighborhood. Implementation Strategy 5.1.3, 5.2.15 and 5.2.18 expedite the review process and may clarify the standards of design review on affordable housing projects.

Availability and Capacity of Local Public Services and Infrastructure (Resources)

Resource availability and capacity have been of great concern to the citizens of Santa Barbara and have been among the parameters within which both residential and commercial development potential in the City has been established. Resources such as water availability, traffic capacity, air quality and vacant land are particularly relevant to the development of housing.

Water

Fresh water is a scarce commodity in Santa Barbara County. The City depends on local rainfall to provide fresh water to its residents. This dependency on the elements results in an inconsistent supply of water. As a result, the City has recently taken action to acquire stable long term water supplies.

Until April 1992, water was at a premium. The South Coast Area had experienced seven years of drought. The City embarked upon a water conservation effort that reduced water demand by 45%. For the past five years, development could proceed only if it could show that it used no additional water above that used during the historic period of July 1984 to June 1986 ("No New Water Use" requirement). Among other things, such as a recession and a change in tax laws, the City's lack of water has been a constraint to the development of housing. As can be seen in Table 30 (New Housing Starts), the number of housing starts decreased dramatically after 1987, one year after the emergency water ordinance was put into effect. (Projects that were pending were not subject to the "No New Water Use" requirement.)

In November 1991, the citizens of Santa Barbara voted to pursue both a connection to the State Water system and a permanent desalination plant. It is anticipated that the permanent desalination plant will be permitted by mid-1993, while the connection to the State Water system will take until 1996. Projections for fresh water production by the desalination plant show that it will produce enough water to meet the needs of not only the City of Santa Barbara, but parts of Santa Barbara County as well. The City is continuing the conservation program which served so well during the extreme drought years.

The City has suspended the Long Term Water Ordinance; therefore, water availability is no longer a constraint to development.

Air Quality

Over the past five years, air pollution levels in Santa Barbara County have exceeded State standards 35-40 days per year. Automobiles are the source of more than 50% of the emissions which create local air pollution and are the major source of ozone, a prime ingredient in smog formation. Department of Motor Vehicle records indicate the number of registered automobiles in Santa Barbara County increased 27% from 1980 to 1990, while at the same time, the population of the County increased only

TABLE 30

Housing Development - New Construction and Conversion to Affordable Units
City of Santa Barbara
1980 - 1994

Year	SFR	MFR*	Total	Affordable**	Conversion***
1980	40	201	241	30	NA
1981	58	117	175	3	NA
1982	46	196	242	24	NA
1983	89	63	152	101	NA
1984	64	295	359	99	NA
1985	70	227	297	103	15
1986	63	250	313	77	84
1987	62	414	476	331	NA
1988	73	36	109	13	69
1989	28	41	69	30	109
1990	18	34	52	5	18
1991	11	33	44	20	8
1992	19	34	53	10	6
1993	11	33	44	16	0
1994	8	2	10	0	0
Total	**660**	**1966**	**2636**	**862**	**309**
NEW UNITS APPROVED, W/O BUILDING PERMIT, OR CONVERSION PROJECTS FUNDED BY RDA AND PENDING					
	29	228	254	62	70
UNITS PENDING, NOT APPROVED					
	51	571	622	100	

* Multiple Family includes new affordable units.

** There are an additional 2301 units within the City's inventory of affordable housing, including 847 rehabilitated units, and 1034 rent assisted units.

*** Existing units that were converted to affordable units and did not involve new construction.

19.2%. In addition, over the past ten years the number of vehicle miles traveled by local motorists has increased 60%. The increasing use of automobiles for personal transportation will make it very difficult to improve local air quality. Offshore oil production and associated services account for 25% of the emissions which create local air pollution, and other stationary sources create the remaining 25%.

Land

Santa Barbara is a mature city, and not much vacant land remains for residential or nonresidential development. Most of the residentially zoned vacant land that remains is on steep slopes and is unsuitable for the density required to provide lower income housing. The City is concentrating on infill techniques to provide housing within the City (See Housing Production Opportunities). In addition, the City is investigating annexations of vacant land from the unincorporated areas of Santa Barbara County, mixed use incentives and higher density residential in the downtown area.

Traffic Capacity

The City of Santa Barbara's traffic impact threshold is Level of Service C (Volume/Capacity Ratio 0.77). This threshold has been adopted as part of the Circulation Element of the General Plan and is supported by the citizenry. With the General Plan Update, City Council is committed to the development of housing as a high priority and specifically retained the option for residential developments to receive overriding considerations and approval in spite of an environmental impact. However, in order to get to a point where overriding considerations can be granted, an Environmental Impact Report (EIR) must be prepared and certified. The preparation of an EIR can be an expensive and time consuming process, and the cost and time can be constraints to the development of housing.

Federal Tax Policy

Until 1986, owners of rental housing received substantial tax benefits from passive activity losses. Passive activity losses for multifamily dwellings occur when rental property operating expenses (including depreciation) exceed rental income. Prior to 1986, rental property owners could use these losses to offset active income (salaries, commission, etc.). However, the 1986 Tax Reform Act eliminated this form of tax shelter for high income earners. This change in the law has significantly reduced the incentive for investment in multifamily housing, affordable or market rate. Although this is a governmental constraint to the development of housing, it is not a local governmental constraint; therefore, the City can only take action to support Federal legislation that would create new incentives for the construction and ownership of rental property.

Energy Conservation

The City's goal is to achieve maximum use of conservation measures and alternative, renewable energy sources in new and existing residences. By encouraging and assisting residents to utilize energy more efficiently, the need for costly new energy supplies, and the social and economic

hardships associated with any future shortages of conventional energy sources will be minimized.

Although Santa Barbara is a major employment center for the South Coast region, it is a relatively small city. Housing developments in the City are located in close proximity to employment and transit centers, and the City recently adopted a Transportation Demand Management Ordinance which applies to employers with 50 or more employees. In 1994, the TDM Ordinance will apply to employers with 20 or more employees. The City is making efforts to reduce the amount of energy spent on commuting; however, high housing costs have forced some employees to commute from other areas on the South Coast.

Building costs do not appear to be unduly increased through local building codes. However, state regulations with respect to energy conservation, though perhaps cost effective in the long run, may add to construction costs. Energy conservation is currently regulated by Title 24 of the California State Law and is enforced by the City.

Most Federal subsidy programs require that subsidized units be energy efficient, as high energy costs are a contributing factor to high housing costs.

NON-GOVERNMENTAL CONSTRAINTS

Nongovernmental constraints to affordable housing consist of three major factors: land costs, construction costs and financing. The City has a limited ability to influence these factors. Land costs are affected by a number of factors that are primarily regional in scale, including: attractiveness and desirability of an area for residential use, proximity to employment centers with high paying jobs (or some other source of above average income, such as high retirement income or inherited wealth) and a high demand relative to the supply of available parcels. Construction costs and financing costs are also determined at the regional, state and national levels by a variety of private and public actions which are not controlled by the City.

Land Costs

Santa Barbara is an internationally known resort city and is a retirement center; therefore, there is always a heavy demand for housing, regardless of local controls. The heavy demand combined with the fact that the City is situated on a narrow shelf of land between the ocean and the mountains and lacks developable vacant land results in high land costs for the construction of new housing and high purchase prices for existing housing. Affordable housing project developers generally pay 30-40% of the overall development cost for land acquisition. Developers of affordable housing projects pay from $500,000 to $1.3 million per acre for land acquisition, depending on the location of the project in the community. These costs generally translate into $30,000-$40,000 per unit for affordable projects

because of higher allowable densities; for developers of market rate projects at lower densities, land costs can approach $100,000 per unit.

Construction Costs

Construction costs have accelerated rapidly in the past decade. A report prepared in 1989 by the City's Home Rehabilitation Loan Program showed that construction costs to that program had increased by 25 percent in the prior 2.5 years. Although increases have declined somewhat to 7 percent in 1990, and approximately 3 percent in 1991 and 1992, construction costs still represent a major component of the cost of housing, so that any inflation of construction costs significantly affects affordability.

Besides making the costs of each individual housing rehabilitation loan more expensive, the increase in construction costs has obvious impacts for future residents of new housing. For one thing, affordability in newly constructed units becomes more and more difficult to achieve. Conversion of existing units to affordable use becomes a more cost effective way to provide units for the lowest income segments of the community. For new construction, the amount of subsidy necessary, either in the form of monetary subsidy or higher intensity usage of the land, is continually increasing. For individuals in market rate units without some form of public subsidy, housing costs become increasingly more burdensome unless incomes keep pace with the rise in construction costs.

Financing Costs

The cost of borrowing money for the planning and construction of a development is a major component of the selling price of a home. In fact, financing is the largest component of housing costs when both construction and long term financing are considered. Many residents are not fully aware of financing costs as a component of housing costs. However, potential home buyers are often familiar with the financing costs associated with a home mortgage.

Interim Financing Single and Multi-Family Projects

At the present time, most persons involved in affordable housing development agree that there is a "credit crunch" occurring. One nationally known developer (with Goldrich and Kest) recently stated that the firm has never experienced a worse time for attempting to obtain financing for affordable housing. The most obvious reason for the problem is that, subsequent to the widespread failures in the savings and loan industry, federal regulators have "tightened up" regulations related to the security of lending institutions. Regulations such as amount of reserves held on hand, definitions of risk for various types of loans, loan value versus appraised value and number and value of loans to a single borrower have all gotten much stricter in recent years. The result is that many lenders find themselves in a position of being able to make fewer

loans in order to bring their reserves or other criteria up to the new federal standard.

For the single family market, the recent recession has made the lender very cautious about the declining market for home sales. No lender wants to make a construction loan to a project that will not sell for a long period of time nor does the lender want to make a construction loan to a project unless it is certain that the total permanent financing will be equivalent to or greater than construction financing. Particularly in the area of affordable ownership housing, where units may sell at or very near the construction cost, construction lenders have shown reluctance to take the risk associated with a declining real estate market.

For multifamily units, the credit crunch may not necessarily mean tighter underwriting as it does for the single family market, but it does mean that loans will be given only to the most risk free projects (because, among other things, they require less reserves). Even lenders who have become interested in affordable housing often find that they do not have enough cash reserves to risk making a loan to an affordable multifamily housing project.

Permanent Financing Multifamily

The situation for permanent financing for multifamily projects is very similar to the construction financing issue. The sources of available permanent lending for multifamily projects are increasingly restricted to consortia such as the Savings Association Mortgage Company or to the Affordable Housing Program of the Federal Home Loan Bank. The latter program is highly competitive, and only the very lowest income projects receive funding.

Some financing has been provided for multifamily projects in Santa Barbara through tax exempt bonds and notes, either privately placed or sold through public offerings. For small projects, the Housing Authority has been successful at placing tax exempt financing with a limited number of local banks. As these are public purpose "bond issues," they do not require a state allocation.

On behalf of the local nonprofit organizations, the Housing Authority will occasionally issue 501(c)(3) bonds either through public offering or by private placement. In addition, the Housing Authority will occasionally place a note with the seller, who receives tax exempt income from the sale of his project for affordable housing purposes.

Not all lenders have stopped lending to affordable multifamily projects. The City of Santa Barbara has regularly conducted Community Reinvestment Act workshops bringing together local lenders and all of the nonprofit housing, economic development and social service providers.

These workshops have been very useful. New facts have been learned about local lenders' policies on donations to public service groups, as well as liberalized underwriting techniques or lines of credit for short term loans to local businesses or nonprofit organizations. The lenders have been told of the needs of nonprofits, from financing and technical assistance, to the need for surplus equipment. At a recent meeting, the topic of financing mixed use commercial/residential development was discussed, and some actions were taken that may make these projects more attractive to lenders in the future. The City will continue these very useful forums between lenders and providers.

Permanent Financing Single Family

Home mortgage financing has received a considerable amount of attention due to the dramatic rise and fall in interest rates. In 1979, residential mortgages were available at 11% (fixed). During the early 1980s, interest rates were much higher (mid-teens). By 1985, interest rates had fallen somewhat to 13% (fixed). During the late 1980s and early 1990s, interest rates fell considerably due to the recession which the entire country was experiencing. In early 1992, residential mortgages had interest rates of 8.5% (fixed) or as low as 4% (variable).

Declining interest rates and declining prices of housing have made it somewhat easier for Santa Barbara residents to buy housing; however, interest rates are predicted to increase when the economy recovers. Interest rates, as well as the types of loans, become an important ingredient in determining the affordability of "for sale" housing. As interest rates rise, significant numbers of households no longer qualify for housing.

A buyer making a 20% down payment of $64,000 on the median priced home ($320,000) at the current fixed interest rate of 9% would have to earn about $87,000 annually, which is 180% of the median income of a family of four ($49,200). Monthly payments including principal, interest, taxes and insurance would total about $2,700. However, if a buyer wanted an adjustable rate loan with an introductory rate of 5% (and a lender "margin" of 2.5%) he or she would have to earn about $69,000 annually to qualify for the loan. Initial monthly payments would be $1,000, and would rise as soon as the loan rate adjusted upward in six or twelve months.

A buyer making a 10% down payment of $23,000 on a "starter" home priced at $230,000, with a fixed rate loan at the current rate of 9% would have to earn about $61,000 annually. Monthly payments would be $1,700. If a buyer wanted an adjustable rate loan with an introductory rate of 5% (and a lender "margin" of 2.5%), an income of $52,000 would be required and the initial monthly payment would be $1,500, and would rise as soon as the loan rate adjusted upward in six or twelve months.

TABLE 31

Interest Rates
South Coast Region
1993

FIXED RATE FIRST TRUST DEEDS

Lender	Interest Rate	APR*	Term (Years)	Loan Amount
Bank of America	8.00%	8.15%	30	$203,150
La Cumbre Savings	7.68%	7.85%	30	$203,150
Tower Financial	7.63%	7.80%	30	$203,150
ADJUSTABLE RATE FIRST TRUST DEEDS				
Ventura County Bank	4.63%	6.40%	30	$203,150
Home Savings	4.75%	6.94%	30	$203,150
Prime Financial	4.00%	6.57%	30	$203,150

*APR is the Annual Percentage Rate which includes many loan fees.

source: Santa Barbara News-Press, January 31, 1993

SECTION V

HOUSING PRODUCTION OPPORTUNITIES

BACKGROUND

Section 65583(a)(3) of the Government Code requires that this Housing Element Update contain "an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, an analysis of the relationship of zoning and public facilities and services to these sites."

The purpose of the inventory is to identify sites suitable for residential development and to determine what governmental actions can be taken to provide enough housing to accommodate the jurisdiction's new housing demand.

The Regional Housing Needs Plan determined that in order to meet Santa Barbara's share of the regional housing need, the City needs to provide the opportunity for, and make a commitment to allow the development of an additional 2,418 units in the next five years. The development of Santa Barbara is guided by the availability of resources such as water, land, traffic capacity, and air quality. In 1985, as a precursor to the General Plan Update process, the Master Water Plan, which assessed the City's long term water supply, indicated that the 40,005 dwelling units which could be constructed under current zoning could be accommodated with then projected water supplies. The 40,005 dwelling units and 3,000,000 square feet of nonresidential development became known as "Study Point 2" in the General Plan Update process.

At the time that the Master Water Plan was written, the City had approximately 17,970 single family dwelling units and 16,270 multifamily dwellings. The 40,005 dwelling units were to be reached with an additional 350 single family, and 5,415 multifamily dwelling units. The growth decisions made at the conclusion of the General Plan Update process in 1989 involved a commitment to balance the demand for housing in its next increment of nonresidential growth with the construction of the number of dwelling units allowed under the current zoning and studied in the Master Water Plan. Thereby, 40,005 units became the buildout goal for the City. Although it is theoretically possible to achieve the 40,005 buildout goal, individual parcels are not being developed to the maximum potential permitted by the Zoning Ordinance. The City assumes that this trend will continue, therefore, new strategies are necessary in order for the City to meet its housing need.

The 1990 Census shows that there are a total of 36,226 existing units in Santa Barbara. Given the buildout potential of 40,005 units, there are 3,734 potential units left before buildout is achieved. The City is

committed to the construction of as many of these units as possible. Although there are no regulatory constraints to the development of these units, the ability to achieve the buildout may be limited because of natural physical constraints, existing land configuration, and owner unwillingness to demolish existing structures to build out an underdeveloped parcel. The City is proposing a package of strategies to encourage and achieve buildout of housing. If realized, this residential buildout would exceed the City's regional share of housing development.

STRATEGIES TO MEET THE REGIONAL HOUSING NEED

Santa Barbara is pursuing a package of strategies to provide housing production opportunities for all income groups. The site inventory that is required by State law is one part of the City's approach to housing production. The major strategies to provide housing opportunities are to:

1) Develop vacant and underdeveloped land in the City, most of which involves infill of existing developed areas;

2) Promote mixed use in commercial/industrial zones;

3) Allow variable density in the downtown area (12-27 units per acre);

4) Encourage the continued and increased use of bonus density; and

5) Annex vacant and underdeveloped land from the pockets of unincorporated areas of Santa Barbara County located adjacent to the City limits and within the City's sphere of influence.

The following analysis of housing production opportunities is divided into the five strategies mentioned above.

Vacant and Underutilized Land

Santa Barbara is a mature city with very little vacant land available for residential development. Most of the vacant land that is available for development is located in lower density, single family areas. Development in these areas is limited due to physical and environmental constraints. In preparation of this Housing Element Update, the City did not conduct a survey of every residential lot. Most future housing will not be on vacant land. Instead, the City will be concentrating on infill and buildout of underutilized, multifamily zoned parcels. However, a few large properties with potential for housing development have been identified, and information collected from a variety of existing surveys of various zones has resulted in an inventory of vacant and underutilized land which represents a portion of the number of units that can actually be provided. The following is a discussion of each method used to compile the inventory information:

"Water Allocation" List

The information in this category represents parcels on which property owners have initiated the process for the actual development of housing. These projects had been temporarily on hold due to both a long term water supply problem and a severe short term drought (See Constraints section). Santa Barbara's Long Term Water Ordinance, which was suspended in April 1992, stated that a property owner of a vacant or underutilized parcel had to apply for and receive an allocation of water from the City before it could be developed, unless no new water use over historical levels could be shown.

Those who applied for an allocation of water for their property were on the City's "water allocation" waiting list. Therefore, this information source is an accurate representation of not only vacant land, but vacant or underutilized parcels on which the owners are serious about developing. There are applications for 215 single family residences and 439 multi-family residences on the allocation list. The multi-family units on the water allocation list have been split into the following zone categories: R-2; R-3 and R-4; Commercial/Industrial (C-1, C-2, C-M, and R-O); and Other Commercial (All other commercial zones except M-1, OM-1, HRC-1 and HRC-2). The C-1, C-2, C-M and R-O zones have been separated from other commercial zones because higher residential densities are allowed in those zones. See Table 31 for the number of units in each category. Because of the unusual amount of rainfall which has alleviated the short term drought and voter approval of both a permanent desalination plant and a connection to the State water system, City Council suspended the Long Term Water Ordinance. As a result, applicants are no longer required to apply for a water allocation.

Survey of Large Vacant Parcels

Another source of information was a 1991 survey of vacant or underutilized land which was greater than three acres in size. This survey was conducted by the City's Planning Division for the purpose of an agricultural use study. Virtually all of these parcels were on steep hillsides, and most were in the A-1 single family residential zone (one acre minimum lot size). Santa Barbara has a slope density ordinance which increases the lot area for hillside lots: the steeper the slope, the bigger the required lot. Because of the slopes (20% to 100% or greater), the Zoning Ordinance requires a minimum lot size of three acres per unit (the largest minimum lot size in any zone). The General Plan encourages larger minimum lot sizes on major hillsides, and most parcels surveyed exceeded the minimum lot size of three acres. There are many physical constraints to the development of these parcels including steep slopes, earthquake faults, and high fire hazard areas which make these parcels unsuitable for affordable housing. This survey showed the potential for approximately 120 single family residences on 920 acres of vacant and underutilized land. This survey did not investigate lots which are less than three acres in size. Potential development on these sites has not been

included in our estimates, but is a contributing component for residential buildout.

Surveys of R-2, R-3, and R-4 Multifamily Zones

Two other surveys served as additional sources of information for this inventory: the first was a 1991 parcel-by-parcel survey of the R-4 zone which was conducted by the City's Planning Division for the purpose of identifying land uses in preparation for a rezoning from R-4 to R-3. The second was a 1992 survey of parcels of lot size greater than 10,000 square feet in the R-2 and R-3 zones which was conducted by the City's Planning Division for the purpose of identifying larger vacant parcels. The larger parcels were first identified using Assessor Parcel maps, then a windshield survey was performed to identify those that were vacant.

Both the R-3 and R-4 zones are multifamily residential zones in which densities depend on either the lot size or the number of bedrooms (studios: 27 units/acre; one bedroom units: 23 units/acre; two bedroom units: 18 units/acre; three+ bedroom units: 15 units/acre). This concept is referred to as "Variable Density." Variable Density allows a mix of types of units, i.e. a project developed under variable density can have a mix of one, two and three+ bedroom units. The R-4 zones allow hotels and related uses in addition to multifamily residential. The survey found 2.39 acres of vacant land in the R-4 zone and 1.1 acres of vacant land in the R-3 zone resulting in a potential for 45 to 95 dwelling units. The R-2 zone is a duplex zone, where up to 12 units per acre are allowed. The survey found 5.0 acres of vacant land on large parcels in the R-2 zone (maximum potential of 60 new dwelling units). There is additional potential for residential development in the R-4, R-3 and R-2 zones, both on smaller existing vacant properties and, to a greater degree, as infill on underdeveloped properties.

Survey of Vacant Land in Commercial and Industrial Zones

In Santa Barbara, residential use is allowed in all but a few commercial and industrial zones. The zones that do not allow residential development are M-1, OM-1, HRC-1 and portions of HRC-2. These zones have been determined unsuitable for residential development due to incompatibility with existing uses or in the case of the HRC-2 zone, inconsistency with Coastal Act priorities.

The last source of information was a 1991 land use survey of commercial and industrial zones. This parcel-by-parcel survey was conducted by the City's Planning Division for the purpose of identifying vacant parcels in nonresidential zones, in order to confirm their acreage. The acreage of vacant parcels was used to calculate the amount of development potential each parcel would be eligible for under Charter Section 1508.

Every nonresidentially zoned parcel was investigated for this survey, and was categorized as either developed (fully or partially), vacant, parking

or undevelopable (due to site constraints). For the purposes of calculating residential potential these commercial and industrial zones were split into two categories: The zones in the first category (C-1, C-2, C-M and R-O) allow variable density (15 three bedroom units/acre - 27 studios/acre). The zones in the second category (all other commercial zones except M-1, OM-1, HRC-1 and HRC-2) allow 12 units per acre.

In the zones which allow variable density, the survey identified 13 acres of vacant land which has the potential for between 195 and 351 units if fully developed with residential uses. In the other commercial zones, the survey identified 11 acres of vacant land which has the potential for 132 units. The survey also identified 67 acres of land which is fully or partially developed (51 acres in variable density commercial zones, 16 acres in other commercial zones). Additional opportunities for residential development are available on the parcels which are only partially developed provided that they can meet the current standards of the Zoning Ordinance.

Meeting current development standards such as open space and parking requirements can be difficult, hence the need for the development of mixed use incentives which are discussed in more detail in the Mixed Use section below. The net result of additional development on these sites is difficult to predict. The development potential varies from site to site depending on lot size, size and type of existing structures, housing rental and sales markets and the availability of financing.

However, if the development standards were to be revised to encourage housing development, and the financing environment were to become more hospitable towards mixed use, there would most likely be an increase in the number of dwelling units in commercial and industrial zones. The City has estimated that 70% of all commercial parcels are not developed to the full extent allowed by the Zoning Ordinance, therefore there is the potential for between 540 and 972 units on underdeveloped parcels in the C-1, C-2, C-M and R-O zones, and 134 units in other commercial zones.

Availability of Suitable Sites and Facilities

Although they are limited, virtually all of the vacant and underutilized land with the potential for large numbers of dwelling units is scattered throughout areas of the City which are already developed. Citywide, there are adequate services and facilities available to serve any new development in these "infill" areas; however, there are neighborhoods that lack facilities such as parks, schools, community centers, grocery stores, off street parking, and adequate street widths. Although the development of vacant land located in hillside areas would require additional infrastructure, such as water and sewer lines, additional services such as parks and libraries are not anticipated to be necessary for those new units.

An extremely conservative estimate of the total housing production potential for vacant and underutilized land is approximately 2,200 new units under current Zoning Ordinance standards. The estimate includes over 300 units in single family zones, nearly 500 units in multifamily zones and over 1400 units in commercial/industrial zones. The figure of 2,200 dwelling units is conservative because underdeveloped parcels in the R-2, R-3 and R-4 zones were not surveyed, and a figure for potential dwelling units for those parcels was not calculated.

The historic building average in Santa Barbara is about 200 units/year. In the future, the City expects to see a development level that is less than the historic average, due in large part, to the limited number of large vacant parcels in the City. The City's quantified objectives for the planning period 1992 - 1997 is 611 dwelling units (See Quantified Objectives, Section VII). Of this number, it is estimated that approximately 20% (122) will be constructed in commercial zones.

Incentives for Residential Development in Commercial and Industrial Zones

This section explores ways in which the Zoning Ordinance can be amended to encourage and allow increased residential development in these zones.

Balancing jobs and housing was a major focus of the 1989 General Plan Update process which resulted in Charter Amendment 1508, which limited the total cumulative amount of nonresidential development to three million square feet through 2009. The other result of the 1989 General Plan Update was Council action making the development of residential opportunities for all economic levels the highest priority on the list of City goals. This section describes some recently adopted strategies to encourage residential development in commercial zones. Also described is another newly adopted City program which relates primarily to nonresidential development, but may result in additional residential development in commercial zones.

Mixed Use Incentives

The City plans to develop a package of strategies which may include flexibility in Zoning standards and other incentives to promote mixed use projects. The mixed use incentive package would not increase the maximum number of potential units allowed. Rather, it is intended to make mixed use projects more attractive to housing developers. While any parcel in the commercial and industrial zones can currently apply for residential units in a mixed use setting, the proposed mixed use standards would be more flexible than the current standards to further encourage residential development.

At the current time, the City is evaluating potential zoning standards. These standards will undergo review by the Planning Commission and the City Council. Mixed use units have been built at an average of 12 units

per year from 1986 to 1991. Because of the increased attractiveness of mixed use with the new standards, the City can expect this number to increase.

Variable Density

A recently adopted Zoning Ordinance amendment allows residential densities in the C-M, C-2, C-1, and R-O zones to be determined by the number of bedrooms (instead of number of units) per acre. This concept is referred to as "Variable Density" and is already allowed in the City's R-3 and R-4 zoned areas.

The densities of the C-M, C-2, C-1 and R-O zones now conform to the variable density standards of the R-3 and R-4 zones (studios: 27 units/acre; one bedroom units: 23 units/acre; two bedroom units: 18 units/acre; three+ bedroom units: 15 units/acre). The variable density standards are an incentive to the development of residential housing because they allow more flexibility in the number and type of dwelling units that can be provided in these zones. The development potential of these zones is discussed in the section entitled, "Survey of Vacant Land in Commercial and Industrial Zones," above.

Transfer of Existing Development Rights

The City adopted a Transfer of Existing Development Rights Ordinance (TEDR) in January 1993. The primary purpose of the TEDR system is to provide flexibility within the nonresidential growth restrictions by allowing existing nonresidential development rights to be transferred from a "sending site" to a "receiving site." However, in drafting the Ordinance, the City saw an opportunity to increase the incentives for developing residential units in commercial zones. This was accomplished by requiring "sending" site owners to demolish existing, nonresidential square footage and replace with a much smaller commercial building, open space, parking lot, residential units, a combination thereof, or dedicate the land to the City.

It is anticipated that in many cases, property owners would choose to develop residential uses rather than open space or dedicating the land to the City. However, predicting how many property owners will participate in the program and the number of new units that may result from this incentive is difficult. When used in conjunction with the mixed use and variable density standards, the TEDR Ordinance is anticipated to provide a powerful incentive for the development of residential units in commercial and industrial zones.

Bonus Density

The City is moving forward with an Affordable Housing Ordinance which will codify existing State law which mandates that the City grant a 25% bonus density if the developer proposes a percentage of units to be either low income (20%), very low income (10%), or senior units (50%). The City is committed to the development of affordable housing, and has a

well respected track record in that regard. Since 1982, 2,051 units have been constructed in Santa Barbara: an average of 205 units per year. Of these units, 356 were bonus density units. A total of 595 affordable units were constructed as a result of the Bonus Density Program. These projects would not have been feasible without bonus density. Because of the City's commitment to provide affordable housing and its promotion of bonus density, it is anticipated that the average number of affordable units and bonus density units constructed per year will increase.

Annexations of Unincorporated Areas of the County

There are parts of the City which contain pockets of unincorporated areas of Santa Barbara County. This is especially so in the Outer State Street area and the Las Positas Valley. The City is pursuing the annexation of vacant and underutilized parcels in these areas in order to provide additional opportunities for market rate and affordable housing. In 1991, a survey was conducted the by City's Planning Division for the purpose of identifying vacant or underutilized land in unincorporated County lands in the Las Positas Valley and the Outer State Street areas. The parcels to be surveyed were first mapped on Assessor Parcel maps, then a windshield survey was performed to identify those that were vacant or clearly underutilized.

The parcels which were identified do not have a City zoning designation, therefore development densities for virtually all of these parcels was assumed to be that of the E-3 single family zone: one dwelling unit per 7,500 square feet. Gross lot area was used to calculate the potential number of units. Given the assumption of E-3 zoning, these areas have the potential to provide opportunities for 495 dwelling units on about 80 acres of land on vacant or underutilized parcels.

Although the annexable land is in the unincorporated areas of the County, these areas are immediately adjacent to the City, and City provided services and facilities are available. As the City considers annexations, it will coordinate with the County to ensure that the zoning and densities of the annexed land is compatible with that of adjacent City and County parcels.

Table 32 shows each strategy listed above, and the amount of housing that it could provide. In many cases, it is not possible to accurately estimate the number of units which could result through implementation of the various strategies. In most cases, a range of units may occur as is indicated in the table.

TABLE 32

Housing Production Opportunities
City of Santa Barbara
1992

Zoning/permitted housing type*	Number of acres	Density Range (units/acre)	Availability of services and facilities	Dwelling Unit Capacity
Single Family			In Santa Barbara and immediately adjacent areas, all vacant and underutilized sites are infill sites which have adequate City provided services and facilities available.	
From the Water Allocation List	~350	1 - 5.8 units per acre		215
From the A-1 Survey	~740			76 Total 367
Other Sources	~37			76
Multiple family R-2 Zone				
Water Allocation List, Affordable	3.7	12 units per acre	(See Above)	44 Total 152
Water Allocation List, Multifamily	4.0			48
R-2 Survey (vacant land only)	5.0			60
Multiple family R-4 and R-3 Zones		Variable Density:		
Water Allocation List, Affordable	4.9 - 8.9	Studios units: 27 units per acre	(See Above)	133
Water Allocation List, Multifamily	4.3 - 7.9	1 bedroom units: 13 units per acre		118 Total 296 - 346
R-3 Survey (vacant land only)	1.1	2 bedroom units: 18 units per acre		17 - 31
R-4 Survey (vacant land only)	2.39	3+ bedroom units: 15 units per acre		28 - 64

Zoning/permitted housing type*	Number of acres	Density Range (units/acre)	Availability of services and facilities	Dwelling Unit Capacity
Mobilehomes, manufactured housing, mobilehome parks	1.52	30 units per acre	(See Above)	45
Emergency shelter or transitional housing	Allowed within all districts except M-1. (by right if 6 or fewer residents, CUP for 7 or more residents	1 - 27 units per acre	(See Above)	Varies
Commercial All zones except C-1, C-2, C-M, R-O, M-1, OM-1, HRC-1 or HRC-2				
Vacant	~11	12 units per acre	(See Above)	132
Underutilized and Mixed Use	~16, 70% underdeveloped	12 units per acre		134 Total 333
Water Allocation List, Multifamily	~1	12 units per acre		9
Commercial and Industrial C-1, C-2, C-M and R-O Zones		Variable Density:	(See Above)	Total 1047 - 1815
		Studios units: 27 units per acre		
Vacant	~13			195 - 351
		1 bedroom units:		
Underutilized	~51, 70% underdeveloped	13 units per acre		540 - 972
Water Allocation List, Affordable	0.9 - 1.5	2 bedroom units: 18 units per acre		23
Water Allocation List, Multifamily	2.3 - 4.3	3+ bedroom units: 15 units per acre		64

Zoning/permitted housing type*	Number of acres	Density Range (units/acre)	Availability of services and facilities	Dwelling Unit Capacity
Bonus Density	Varies	Varies	(See Above)	
Annexations	80	0.05 - 12 units per acre based on 20-A-1, A-1, E-1, E-3 and R-2 zoning	(See Above)	439
TOTAL	**1400+**	**1-27+ units per acre**	**(See Above)**	**2396 - 2828****

* Each category is mutually exclusive. For example, a potential unit that was found to be on both a water allocation list and a vacant land survey was included on either one or the other. No potential units were double counted.

** This number does not include potential units that can be built on underdeveloped parcels in residential zones. Those parcels were not surveyed.

SECTION VI

EVALUATION

SUMMARY

Section 65588 of the Government code requires that the City review its Housing Element to evaluate the following:

Effectiveness:	The effectiveness of the Housing Element in attainment of the community's goals and objective.
Progress:	The progress of the City in implementation of the Housing Element.
Appropriateness:	The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.

EVALUATION

An important component of this Housing Element Update is the evaluation of the previous Housing Element. It is important to determine if the needs have changed, if the goals and policies are still important, and if the programs have been effective. These questions were systematically considered as part of the revisions to the previous Housing Element. This analysis is summarized in the following paragraphs but, more importantly, is reflected throughout the revised Housing Element.

Effectiveness

The goals and objectives in the 1985 Housing Element Update were appropriate to a community such as Santa Barbara, which had a modestly growing housing stock, and a limited amount of affordable housing. The goals focused on maintaining positive housing opportunities. The City recommended an active and diverse housing program in the 1985 Housing Element Update Addendum.

The community still has a range of housing opportunities, although there is a need for housing opportunities for those who earn less than 150% of the median income. Santa Barbara is fortunate to have maintained virtually all of its affordable housing stock. Private groups are serving the special needs of seniors and the homeless population as best they can in an environment where funding cuts are becoming the norm. This assessment found the 1985 goals and policies to be substantially effective, and they form the basis for the 1992 Housing Element. The programs were evaluated to determine their effectiveness.

Progress

This section of the Housing Element describes the City's progress in meeting the goals and policies of the 1985 Housing Element Update Addendum. The results of this analysis are important to this element because they were used to revise and update proposed programs for the 1992 Housing Element.

Appropriateness

The goals and policies of the Housing Element were organized into concise statements. All six goals were recommended for continuation, although in somewhat altered states. Another goal was added. Each goal had a series of policies and strategies which implemented the goals. The policies and strategies were reviewed and revised. Each strategy's appropriateness was evaluated for deletion, continuance, or revision as indicated in Table 33. This assessment formed the basis for the Goals, Policies and Strategies section.

INVENTORY OF AFFORDABLE HOUSING UNITS

The City of Santa Barbara has been in the affordable housing "business" since approximately 1970. In late 1969, the City Housing Authority was established, and existing leased housing programs were taken over from the County. The Presidio Springs Redevelopment Area was formed in the early 1970s primarily for purposes of affordable housing development. The Central City Redevelopment Project was created in 1972, and provides in excess of $1.5 million annually for housing projects. In 1975, the City participated financially in construction of the SHIFCO project. The Home Rehabilitation Loan Program was established in 1976. Two major nonprofit housing developers -- Community Housing Corporation and Homes for People -- began their activities around 1980. Throughout the past 21 years, the City's affordable housing program has led to the production of a significant amount of affordable housing. The City is has been acknowledged for its efforts in developing affordable housing. In a report published by the California Coalition for Rural Housing entitled Local Progress in Meeting the Low Income Housing Challenge, the City of Santa Barbara is identified as having produced 678% of its requisite lower income units. The City was also recognized in a book published by the Lincoln Institute of Land Policy and written by Madelyn Glickfield and Ned Levine entitled Regional Growth...Local Reaction: The Enactment and Effects of Local Growth Management and Control Measures. Their research found that the City of Santa Barbara has produced 698% of its identified low income housing need.

What follows is an accounting of the City's affordable housing by housing type.

Rental Projects

Acquisition and Minor Rehabilitation

Sponsored by the Housing Authority (HA), the nonprofit Community Housing Corporation (CHC), or private for profit developers (PR), these projects primarily serve very low income families and seniors. These were market rate projects that have been converted either to tenant or public ownership for permanent affordability. Minimal rehabilitation was required.

PROJECT/SPONSOR	UNITS
Santa Barbara Green Mobilehome Park (CHC)	47
Holiday Mobilehome Park (CHC)	23
221 W. Victoria (HA)	12
125 S. Voluntario (HA)	3
2525 De la Vina (HA)	6
217 S. Salinas (HA)	10
716 N. Salsipuedes (HA)	4
47 Broadmoor Plaza (CHC)	15
1409 Castillo (CHC)	3
630 West Arrellaga (HA)	4
TOTAL	127

Acquisition and Major Rehabilitation

Same as above, except substantial rehabilitation was needed.

PROJECT/SPONSOR	UNITS
625 Coronel Place (CHC)	20
821 Bath (CHC)	12
New Carrillo (176 units total) (PR)	42
801 Olive (HA)	18
1112 Mason/28 N. Voluntario (HA)	10
705 Olive Street (HA)	3
Miscellaneous Home Rehab Loan Program	127
TOTAL	232

SROs and Group Homes

Serve groups with special needs, including Vietnam Veterans, mentally and physically disabled, general relief and homeless. All have involved rehabilitation. Most have been carried out by nonprofits.

PROJECT/SPONSOR	UNITS
Faulding Hotel (CHC)	81
Riviera Hotel (CHC)	31
Phoenix Work Training (Mental Health Assoc.)	9
Transition House (Transition House)	35

Fire Station (Transition House)	6
309 West Figueroa (Social Advocates for Youth)	6
Chino Street (Shelter Services for Women)	16
Heath House (AIDS Home) (CCC)	6
Klein Bottle Social Advocates/Youth (KBSAY)	6
Sarah House (AIDS Home) (CCCC)	11
Second Stage Victoria (Shltr Svcs for Women)	25
TOTAL	257

New Construction

Rental housing newly constructed as affordable units; built by for profit or nonprofit developer. Units are restricted to low or moderate income households.

PROJECT/SPONSOR	UNITS
1215 Cacique (FP)	5
1325 Chapala (FP)	19
1426 Euclid (FP)	1
514 W. Islay (FP)	2
1022 E. Mason (FP)	8
222 W. Micheltorena (FP)	12
Rancho Arroyo Seniors (FP)	112
1107 San Andres (FP)	3
820 W. Victoria (FP)	1
La Colina Apts. (HA)	24
1016 E. De la Guerra (HA)	10
809-811 Olive (HA)	3
817 Olive/Vine (HA)	7
825 Olive (HA)	4
1027 E. Ortega (HA)	6
515 W. Victoria (HA)	10
1511 Bath (FP)	10
209 W. Cota (FP)	6
616 W. Mission (FP)	6
1920 San Pascual (FP)	14
432 W. Valerio (FP)	10
416 W. Anapamu(HA)	8
610 W. Carrillo (HA)	7
620 Castillo (HA)	17
1203 Castillo (HA)	16
175 S. La Cumbre (HA)	36
2721 Miradero (HA)	10
422 Old Coast Highway (HA)	5
902 Olive (HA)	6
Shifco (418 Santa Fe Place) (HA)	107
401 Transfer (HA)	8

1018 Castillo (CHC)	32
224 W. Ortega (FP)	6
Pilgrim Terrace (CHC)	84
Presidio Springs (HA)	122
Presidio Gardens (HA)	46
305 Rancheria Street (HA)	4
512-522 W. Montecito (HA)	24
630 Bath (HA)	2
323 South Voluntario (HA)	7
606 West Micheltorena (HA)	1
1507 San Pascual (HA)	2
233 West Ortega (HA)	2
13-21 South Soledad Street (HA)	15
219 Meigs Road(HA)	18
810 Vine (HA)	1
519 North Alisos Street (HA)	4
1934 Elise Way (HA)	16
1913 San Pascual (HA)	10
602 Eucalyptus (HA)	4
1831 De la Vina (HA)	4
28 North Voluntario (HA)	6
211 Sycamore Lane (HA)	20
425 East Ortega (HA)	3
227 West De La Guerra (FP)	17
424 Rancheria (FP)**	14
4040 Calle Real	113
TOTAL	1,073

Rental Certificates and Vouchers

Rental supplement payments are provided to low income households through this program, so that very low income households can live in existing decent market rate housing and pay no more than 30 percent of monthly income for rent.

Section 8 certificates	938
Housing vouchers	290
TOTAL	1,228

Ownership Projects

Owner Rehabilitation

Carried out by the homeowner and carrying restricted to residency by the low income homeowner, unless the loan is paid in full.

PROJECT/SPONSOR	UNITS
Las Casitas (420 N. Voluntario) (CHC)	13

Miscellaneous Homeowner Rehabilitation	351
TOTAL	364

New Construction

Carried out either by for profit developers, by CHC or another nonprofit, Homes for People (HFP), which utilizes partial self-help construction for homeowner projects. All projects are restricted for long term affordability for low and/or moderate income households.

PROJECT/SPONSOR	UNITS
720 Castillo (HFP)	3
329 W. Ortega (HFP)	3
S.B. La Cumbre (FP)	60
417 W. Anapamu (FP)	10
521 W. Montecito (FP)	14
1215-1219 Quinientos (FP)	14
811 Salsipuedes (FP)	13
La Colina Village (CHC)	50
Robbins Street Condos (CHC)	6
Modoc/Oak (HFP)	5
915 Bath (HFP)	3
414 W. De la Guerra (HFP)	5
2001 Elise Way (HFP)	6
22 N. Voluntario (HFP)	6
1019 Quinientos (HFP)	10
1030 Quinientos (HFP)	18
1310 San Andres (HFP)	5
1838 San Andres (HFP)	10
Rancho Arroyo (FP)	46
Arroyo Verde (FP)	14
33 Ocean View (HFP)	10
211 West Gutierrez (HFP)	16
827 West Anapamu (HFP)**	6
313 West Los Olivos (HFP)**	11
922 Castillo (HFP)**	9
TOTAL	353

GRAND TOTAL OF CITY ASSISTED UNITS 3,634

** Denotes projects approved, not yet built.

TABLE 33 - PROGRESS REPORT
1985 FIVE YEAR
HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
A. HOUSING OPPORTUNITY		
1.1.1 Use CDBG funds for a public outreach campaign publicizing equal opportunity provisions and remedies.	Ongoing	CDBG funds were used for radio, television and pamphlets to promote fair housing.
1.1.2 Pursue enforcement against discrimination in housing.	Ongoing	Budgetary constraints have forced a reduction in but not the elimination of the Fair Housing activities.
1.1.3 Adopt ordinance with civil penalties or other remedies in addition to Unruh Act.	Completed	Anti-discrimination ordinance was adopted that provides for civil and criminal penalties, as well as injunctive relief. City adopted an ordinance which prohibits arbitrary occupancy standards. Ordinances were adopted to restrict conversions of mobile home parks to other uses and to stabilize rents in mobile home parks.
1.1.4 Identify budget sources for programs to promote equal opportunity.	Ongoing	Fair Housing Assessment Report was completed in order to qualify for limited Federal Fair Housing grants. The CDBG program and City General Fund continue to provide support.
1.1.5 Continue to monitor eviction rates through Notice to Quit.	Ongoing	Notice to Quit Ordinance continues to require landlords and property managers to file eviction data with the City Clerk's office.

TABLE 33 - PROGRESS REPORT
1985 FIVE YEAR
HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
1.2.1 Develop guidelines for builders which explain state laws relative to handicapped accessible units.	Ongoing		A State guideline booklet is available to builders upon request. The City has established the Disabled Advisory Committee on Access (DACA) to assist in reviewing and promoting handicapped access in reconstruction.
1.2.2 Remove barriers in homes through Home Rehab Loan Program, publicize the availability of State tax deductions for rehabilitating property.	Ongoing		The Home Rehab Loan Program has as a priority the removal of barriers to accessibility for homeowners and tenants. State tax deductions for rehab no longer exist.
1.2.3 Implement policies which give incentives for handicapped accessible units to be included in projects.	Ongoing		State Law requires that a certain percentage of residential units in new construction projects be handicapped accessible and the City actively enforces this requirement.
1.3.1 Provide funding for and encourage home-sharing for the elderly, handicapped or other special need households.	Ongoing	100 households/yr	CDBG program and General Fund supported a share-a-home project for a number of years. The program ceased operation because the program was determined to not be cost effective and because of the lack of a sponsor agency.
1.3.2 Expand home sharing programs to match various special need households.	Ongoing	1 group home/yr	The Home Rehab Loan Program has financed many group homes that could not exist without rehab -- e.g., Dennis Guest Home, Fire House, Phoenix, Heath House -- for elderly, mentally handicapped, homeless or HIV-infected persons.

TABLE 33 - PROGRESS REPORT
1985 FIVE YEAR
HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
1.3.3 Continue working with the County to address the special housing needs of farmworkers.	Ongoing		Through the South Coast Housing Issues Group and the Association of Governments, the needs of farm workers have been identified. The County is the lead agency.
1.3.4 Assist development of congregate housing opportunities for elderly and physically and mentally handicapped.	Ongoing	1 facility/yr	The City has financed many congregate homes -- e.g., New Carrillo Hotel, Riviera Hotel -- for elderly, homeless mentally ill.
1.3.5 Investigate funding and sponsors for emergency housing/shelter.	Ongoing		The City works closely with and finances Transition House. Other shelter providers, such as Salvation Army, are encouraged to seek City aid, if desired.
1.3.6 Assist development of first time home ownership opportunities for families with incomes up to 150% of median.	Ongoing	50 households/yr	Both RDA and bond funds have been used for first time home buyer programs for persons earning up to 120 percent of the median. Higher incomes (150 percent of median) by law do not qualify. The bonus density program has been used as well. Approximately 250 units have been made available through these programs.
1.3.7 Work with County to provide temporary shelter for runaways/abused youth.	Ongoing		Through the CDBG and emergency shelter grants to Klein Bottle Social Advocates for Youth, the City and County coordinate on this activity.

TABLE 33 - PROGRESS REPORT
1985 FIVE YEAR
HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
1.3.8 Assist development of housing opportunities for low and moderate income single parent households.	Ongoing	Assist 10 households/yr	RDA and mortgage revenue bond funds have been used for this purpose. It is estimated 70 single parent households are currently being served.
1.3.9 Develop design guidelines for builders which outline site planning and building designs for seniors.	Ongoing		Draft design guidelines have been developed and reviewed with the ABR. Next steps involve review with the Planning Commission prior to publication.
1.3.10 Develop a public information program to inform special need households of community programs.	Ongoing		The City publishes an Affordable Housing Manual to disseminate information to all members of the public, including special needs households. The South Coast Housing Issues Group, which the City organized, publishes a Users Guide to Affordable Housing.
1.3.11 Assist Single Room Occupancy (SRO) projects in obtaining state funding. Pursue financing through the Redevelopment Agency in the Redevelopment area.	Ongoing	10 units/yr	The City has assisted several projects in obtaining State funding, including the Riviera Hotel.
1.3.12 Review and consider the findings and recommendations of the "Senior Housing Study".	Ongoing		The findings and recommendations of the Senior Housing Study were considered by the Planning Commission as part of the 1992 Housing Element.

TABLE 33 - PROGRESS REPORT
1985 FIVE YEAR
HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
1.3.13 Establish a task force to develop incentives for family housing.	Ongoing		The Family Housing Task force which convened in early 1992 made specific recommendations to Planning Commission for inclusion in the 1992 Housing Element and to Council for immediate action.
1.4.1 Assist sponsors in developing congregate housing facilities for low to moderate income elderly.	Ongoing	10 units/yr.	The City has financed the New Carrillo Hotel (160 units). The City has assisted with approximately 100 units of affordable noncongregate elderly housing.
1.5.1 Continue to provide assistance to developers of affordable housing opportunities for low to moderate income elderly.	Ongoing	20 units/yr.	The City will participate in acquisition of Villa Santa Barbara if feasible. The City has helped insure that projects requiring seismic upgrade are not lost to the affordable housing stock for the elderly.
B. HOUSING DEMAND			
2.1.1 Revise Ordinance 4140 to address housing impacts. Establish guidelines for mitigation of housing impacts.	FY 86- 87, 6-8 months to complete		The Development Plan Ordinance was amended in 1988 to include the Housing Mitigation Program. Housing impacts of nonresidential projects are now assessed for those projects needing Development Plan Review.
2.1.1a Develop a "housing mitigation program" for housing impacts attributed to new development.			The Housing Mitigation Program specifies the optional methods for mitigation of existing and new demand units.

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POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
2.1.1b Develop employee generating formulas specifically designed for office, hotel & retail development.		Due to funding constraints, this strategy has not been initiated. We continue to use RGIS and project specific EIRs.
2.1.1c Develop a definition of "significant impact upon City and South Coast housing stock".		This issue would have been addressed as part of the study to develop better impact assessment formulas as called for in 2.1.1(b) above. The Council and Planning Commission recognize the loss of one existing unit and two new demand units as the threshold of significance.
2.1.1d All new affordable housing impacts attributed to new development reviewed under Ord. 4140 must be mitigated through the "housing mitigation program".		When the Housing Mitigation Program was codified in Ord. 4140, the threshold was lowered from ten units to two units.
2.1.2 Create a mixed use zoning package and amend GP to encourage mixed use. Pursue rezoning of appropriate City areas for mixed uses.	FY 86-87, 6 months to complete	This strategy is a high priority General Plan Update implementation strategy and work has begun on this task to develop the mixed use incentive package.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
C. HOUSING AND NEIGHBORHOOD PRESERVATION		
3.1.1 Implement Housing and Commercial Assessment Study including: a.Amend GP to discuss Transition areas. b.Enact zone changes to preserve residential in primarily residential areas. c.Areas designated mixed use in HCA to be studied for rezone to residential. d.Study areas outside of HCA that are not zoned residential but have significant existing residential uses.	FY 87-88, 1 year to complete	Work on this project is complete. Recommendations for potential rezoning actions were considered as part of the study. Rather than rezone, the Council adopted an Ordinance requiring replacement of most demolished or converted units.
3.1.2 Rezone west Downtown & Lower Westside neighborhood from R-4 to R-3.	FY 88-89	This is also a high priority General Plan Update Implementation strategy which is scheduled for completion within the next year. Surveys of the R-4 areas of the City have begun.
3.1.3 Change existing policy to allow repair & rehab of existing housing in M-1 zone.		The M-1 zones have been surveyed to identify existing units. This information and the issue of preservation of these units was discussed by the Council in the context of Charter Section 1508 interim limitations.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
3.1.4 Modification of lot area on lots smaller than 6,000 sq. ft. shall not be permitted.			While this strategy has been implemented, there have been instances, on lots zoned R-2 where modifications would have been appropriate. This strategy should be reconsidered.
3.2.1 Establish low interest rehab loan programs for public and private nonprofit housing sponsors.	Ongoing	10 units/yr	The City has used all sources for rehab, including CDBG, RDA, State CHRP, and HUD 312 funds. Approximately 50 units per year of single and multifamily housing are achieved.
3.2.2 Investigate rehab loan programs for rehab of mobile home park infrastructure.			
3.2.3 Publicize use of tax code depreciation for landlords who rehab low income rental housing.	Ongoing		The 1986 Tax Reform Act eliminated these "loopholes".
3.2.4 Pursue additional dollar sources (tax exempt revenue bonds & rehab funds for housing rehab programs).	Ongoing		Tax exempt bonds have been used by the Housing Authority and by Community Housing Corp. for rehab. The City obtained CHRP-O and CHRP-R funds for rehab.
3.2.5 Conduct a housing conditions survey as needed.	As needed		A windshield survey was conducted in 1990 in the target areas to qualify for CHRP-O funding.
3.2.6 Pursue financing from the State Deferred Rehabilitation Loan Program.	Ongoing	5 units/yr	The State Deferred program has been replaced with CHRP. The City has received $300,000 in CHRP-O funds; approximately $420,000 in CHRP-R funds has been received for two projects.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
3.2.7 Offer rehabilitation loans to owners of "illegal units" that can be "legalized" and that would be affordable according to City criteria.	Ongoing	5 units/yr	Such loans have been financed by RDA funds. CDBG funds are not permitted by HUD to be used to legalize illegal dwellings.
3.2.8 Offer rehabilitation loans for first time home buyers with incomes up to 150% of median to renovate existing housing in target areas of the City.	Ongoing	5 units/yr	RDA Rehab loans have been made for first time buyers earning up to 120 percent of the median. Higher incomes are not eligible.
3.2.9 Provide financing to preserve existing affordable senior board and care facilities.	Ongoing	1 facility/yr (6 beds)	Through the Housing Rehabilitation Loan Program, financing is targeted to Senior residences including board and care facilities; the bond program has supported the new Carrillo Hotel.
3.3.1 Implement state law which prohibits tax deductions by landlords for expenses to substandard housing. Authorize DLUC to notify Tax Board regarding substandard property.	Ongoing		The number of tax benefits for ownership of rental property has significantly decreased in recent years. The Division of Land Use Controls has the authority to notify the Tax Board regarding substandard housing. The City has created a full time permanent Building Code Enforcement Inspector.
3.4.1 Develop a demolition review Ordinance.			Upon completion of the Transitional Area Rezone Study, Council adopted an ordinance requiring replacement of most units which are converted or demolished in commercial zones.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
3.4.2 Monitor and report annually in the "Development Activity Report," the number of dwelling units which are being demolished & not replaced in projects reviewed by the Planning Commission.	Ongoing	The history of the demolition and construction of housing was reviewed in the General Plan Update process as part of the jobs/housing balance assessment. Since that time, Council adopted an ordinance requiring replacement of most demolished or converted units in commercial zones and has directed the monitoring of all future residential construction and demolition.
3.5.1 Review federal, state, county and city relocation plans for coordination and ample resources.	Ongoing	After review of the various relocation plans, the City adopted a resolution to minimize displacement of persons as a result of CDBG funded activities. The City Redevelopment Agency also seeks to minimize displacement and provides assistance to persons displaced.
3.6.1 Complete architectural and historic resources survey for entire city.	As grant monies are available	Phase III of the Survey was funded and is nearly complete. The area covered is bounded by Laguna, Milpas, Anapamu and U.S. 101.
3.6.2 Use completed survey as resource to determine possible Landmark or Structure of Merit designations, to evaluate small residential areas for Landmark Districts, and in the planning review process.	Ongoing	Two residential areas were designated as Landmarks: most of the residences along Nopal Street between Anapamu and Figueroa Streets and most of the residences in El Caserio. Other properties identified in the survey will be considered by the Historic Landmarks Commission for possible designation. The survey information is being used as part of review process for proposed development projects.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)		TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
3.7.1	Continue CDBG neighborhood centers, sidewalk and street light repairs, and neighborhood cleanup.	Ongoing	CDBG has continued to make many improvements and develop facilities in neighborhoods requiring revitalization. Neighborhood improvements include: parks, rest rooms; neighborhood center support and improvements; cleanup and yard restoration.
3.7.2	Construct Westside storm drain.	Lower Westside storm drain completed.	Storm drain engineering study completed for Upper Westside. Study provided different options for construction of storm drain to alleviate flooding problems.
3.7.3	Complete West Downtown revitalization plan.	Completed	Completed
3.8.1	Projects will be reviewed by ABR, Planning Commission & Historic Landmarks Commission, where applicable, in accordance with Strategy 2.1.1.	Ongoing	Planning Commission review of nonresidential development projects continues to consider the compatibility with the existing neighborhood.
3.9.1	Identify through a Housing Conditions Survey, neighborhoods that have the highest number and concentration of units in need of rehabilitation.	As needed	See strategy 3.2.5.
3.9.2	Continue to assess senior housing needs by following the guidelines developed by the U.S. Conference of Mayors, Assessing Elderly Housing.	Ongoing	An update to the original senior data base was conducted as a part of the research for the Reverse Mortgage Program. Updating via the 1990 Census has begun and will continue.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
3.9.3 The City will increase its outreach efforts to encourage senior homeowners & apartment owners renting to seniors to participate in the City's Housing Rehabilitation Loan Program.	Ongoing		The Rehab Loan Program specifically targets seniors for home loans in its outreach activities. Preferential loan terms are allowed for seniors.
3.10.1 Design and offer a special housing rehabilitation loan targeted to board & care homes.	Ongoing		The City targets home rehab activities to board and care facilities. The Phoenix, Dennis Guest House, Fire Station and Heath House are examples.

D. AFFORDABILITY OF EXISTING HOUSING

4.1.1 Support limited and nonequity co-op conversion projects through Innovative Grant and Cooperative Down Payment Loans.	Ongoing	10 units	Although these grant sources no longer exist, co-op conversions can be financed with RDA funds (Green and Holiday Mobile Home Parks). Repayment money from Innovative Grant is used to finance second round of buyers in Las Casitas.
4.1.2 Identify and support projects in applying for State funding for tenant purchase of mobile home parks.	Ongoing		Santa Barbara Green and Holiday Parks were converted using State MPAP, RDA, bond funds.
4.1.3 Support real estate lending programs of local financial institutions.	Ongoing		The City has conducted two CRA workshops to encourage lending to local affordable housing. The City works closely with all lenders to assist in their underwriting of affordable projects.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
4.1.4 Develop a mortgage lending program by pursuing a down payment and interest subsidy loan fund for moderate income first time home buyers.	Ongoing		The City makes such loans for buyers in projects constructed by nonprofit organizations. The City cooperates with the Coastal Housing Partnership, which provides such loans through private resources.
4.1.5 Support local participation in the State's New Home ownership Assistance Program to assist renters to purchase homes.	Ongoing	10 households/yr	Although the City has investigated this program, so far no project has qualified.
4.1.6 Investigate use of pension funds as mortgage capital from major employers in Santa Barbara.	Ongoing		Considerable work was done with the Santa Barbara County Employee Pension Fund to provide secondary financing to employees through the Coastal Housing Partnership.
4.1.7 Solicit proposals from private sponsors of low and moderate income projects and assist in implementation.	Ongoing	50 units/yr	Approximately 75 units a year have been built or acquired for permanent affordability under this program of City assistance to private for or nonprofit sponsors.
4.2.1 Prepare annual report to Planning Commission as a follow up to approved condo conversions to document previous rental ranges, selling prices, number of tenants that become owners.	Ongoing		Given the limited number of units converted up until 1990, this information was not sought from applicants.
4.2.2 Amend condo conversion ordinance to require owner occupancy by purchasers of converted units.			This was considered as part of the amendment in 1989, and was not included based on direction from the City Attorney.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
4.2.3 Amend condo conversion ordinance to exempt projects of 75% or greater low and moderate income buyers from the point system.		This was completed as part of the 1989 amendment.
4.3.1 Update the City's Rental Housing Database & Rental Study prior to the next Housing Element Update.		Staff is currently assessing how this might be accomplished, the costs involved and the relative value of the information that would be generated.
4.3.2 Assist Housing Authority to publish pamphlet encouraging Section 8 rentals.		Both the City and Housing Authority have published such information.
4.4.1 Initiate a study of the feasibility and impact of developing a mechanism to generate revenue for subsidizing housing.	Ongoing	Feasibility of such a mechanism has not been fully explored. Include this strategy in the 1992 Housing Element.
4.5.1 Include an analysis of energy conservation and solar energy potential on all City financed home rehabilitation projects.	Ongoing	The Home Rehab Loan Program has energy conservation as a priority. Solar facilities are installed where feasible.
4.5.2 Pursue all feasible opportunities to encourage energy conservation and solar retrofit in the City's existing housing stock.	Ongoing	Guidelines were developed to list appropriate energy conservation measures to be incorporated into City sponsored housing rehabilitation projects.
4.5.3 Implement solar access ordinance for protection of solar rights in residential zones.	Completed	Solar access ordinance was adopted in 1986 and applies to all residential zones.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
4.6.1 Work with private financial institutions and insurance companies to design an educational program to promote senior participation in financial mechanisms such as reverse annuity mortgages, the Fouratt Plan, etc.	Ongoing		The City instituted a year long study of a Senior Home Equity Conversion Program and was instrumental in encouraging the County to share the cost. The program is operated by the County Housing Authority.
E. NEW CONSTRUCTION			
5.1.1 Participate with private developers in statewide competition to produce affordable housing.	When available		Program no longer exists.
5.1.2 Use revolving housing fund to assist private development affordable housing.	Ongoing	60 units/yr	City has produced approximately 70 units per year with this fund, which was made a permanent, separate fund in the City budget in 1989.
5.1.3 Use CDBG dollars to pay for site improvements in order to develop affordable housing.	Ongoing	10 units/yr	CDBG funds have been used to fund many predevelopment improvements to facilitate the construction of affordable housing. CDBG funds have been instrumental in closing the affordability gap by making projects financially feasible.
5.1.4 Develop ongoing monitoring of density reserve. Present annual report to City Council and Planning Commission.	Ongoing		Annual reports were prepared through 1986 as part of the annual Development Activity Reports. Reports were discontinued due to workload related to the Interim Water Moratorium and the General Plan Update.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
5.1.5 Allocate entire density reserve to affordable housing.	Ongoing		All bonus density projects are required to have affordable units. This has produced at least 15 units per year (in most cases in combination with City financial subsidies).
5.1.6 Develop and adopt bonus incentive program for developers of affordable housing projects.			The bonus density program, combined with technical assistance, provides the incentive to the developer.
5.1.7 Adopt guidelines for site planning criteria for bonus density affordable housing projects.			As mentioned for 1.3.13, Staff has prepared a comparative analysis of projects receiving bonus densities. This information has been used by project proponents and by Staff to assess project feasibility. Given the City's preferred practice of "case by case" review, this strategy should be reconsidered.
5.1.8 Identify & support nonprofit developers in applying for CHAS funding from the State.	Ongoing	10 units/yr	To date no project has been identified that qualifies for this program.
5.1.9 Develop design standards for factory built and mobile homes for ABR to facilitate affordable as well as compatible designs.			The demand for this type of housing has been virtually nonexistent. This strategy should be reconsidered.

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HOUSING PROGRAM

POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
5.1.10 Develop infill housing program with financial and management incentives to encourage use of small parcels.	Ongoing	20 units/yr	RDA funding is used for infill housing. The Agency has exceeded its goal by approving funds for construction of more than 84 units and acquisition of 50 units in the past 3 years. All but two projects (33 units) have been built and these are well along in the planning stages.
5.1.11 Development Allocation System and any future amendments to the system shall give priority to affordable housing.	Ongoing		This System was effectively suspended in 1986 with adoption of the Interim Water Ordinance.
5.1.12 Per 65590, new developments in coastal zone shall include affordable housing.	Ongoing		Projects have been approved with differing affordability requirements. A clear and consistent policy is needed.
5.1.13 Establish procedures for early occupancy of affordable "sweat equity" projects.	Completed		Specific Planning Commission conditions of approval have been developed to allow for this. HRD assists developers of sweat equity projects to occupy prior to some finish work to save residents rental costs while finishing their ownership units.
5.2.1 Identify possible sites for use of tax exempt mortgage revenue bond proceeds to build affordable housing. If feasible, acquire sites.	Ongoing	50 units/yr	Tax exempt financing has been used on Housing Authority projects and some CHC projects (501c3's). 1986 TRA has made the target rents for multifamily projects so strict as to be infeasible in Santa Barbara. City does not have a volume of projects to justify the costs of issuance.

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POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
5.2.2 Participate in State's Rental Housing Construction Program for new mixed income rental housing.	Ongoing as available	10 units/yr	RHCP was investigated by the Housing Authority and rejected as infeasible for Las Casitas de la Guerra. RHCP is being looked into by a for profit developer for a Haley Street project. There have been no other rental new construction projects.
5.2.3 Inventory all publicly owned land and pursue acquisition for potential use as affordable housing. Pursue relocation of the National Guard & Army Reserve to obtain land for housing.			Publicly owned land is used for housing whenever it comes on the market. This includes several CalTrans sites, as well as the Fire Station. It is infeasible to relocate the National Guard & Army Reserve at this time. City is monitoring the use of the Hidden Valley school property for future potential housing.
5.2.4 Seek voluntary offers to record an agreement offering the City first right of refusal to buy land owned by nonprofit organizations or public utilities.	Ongoing		The City has first right of refusal on all land acquired by non profits for housing, as acquisition is without exception accomplished with RDA subsidies. No agreement has been reached with utility companies.
5.2.5 Require nonprofit organizations that receive funding from the City to record an agreement offering the City first right of refusal to buy land.	Ongoing		Requirement could be viewed as voluntary since nonprofit housing sponsors desire affordable housing usage of land if they cannot develop it. No requirement has been made when land is acquired for nonresidential purposes (i.e., Legal Aid office).

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POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
5.2.6 Survey adjacent vacant or underdeveloped County lands for possible annexation to City for new affordable housing projects.			Based on the Long Term Water Ordinance which restricted the creation of new water demand within the City during the previous five years, annexations were not pursued. This Housing Element supports annexations for the purpose of affordable housing.
5.2.7 Consider zoning ordinance changes to promote affordable housing including: a) revise duplex unit size restriction; b) revise parking standards in R-2 zone to be based on number of bedrooms.			The Family Housing Task Force recommendations include these and other changes to the Zoning Ordinance to promote affordable housing.
5.2.8 Consider creation of Mortgage Credit Certificate Program.	Ongoing	50 households/yr	Was examined in conjunction with the County. Certificates would be useful for limited number of units (those built or rehabilitated with subsidies) since local market housing costs are so high.
5.3.1 Use MEA in environmental review to speed process.	Ongoing		Upfront review of development projects is helpful in early identification of issues; however, recent MEA revisions related to cultural resources have actually made it more difficult to process applications. This requirement will be reassessed as the City considers ways to reduce governmental constraints.
5.3.2 Evaluate current development review system to improve interdepartmental coordination and streamlining of review.	Ongoing		This was accomplished in 1989 as part of the restructuring of the development review process to meet the requirements of the State Streamlining Act (AB 884).

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POLICIES AND STRATEGIES (condensed wording)		TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
5.3.3	Expedite review process for affordable housing developments.	Ongoing	Whenever feasible, special ordinance provisions have been enacted giving preference to affordable housing projects. No separate expedited process has been established. When possible, affordable housing projects are given priority for processing.
5.3.4	Develop criteria for determining affordability of housing projects. Consider allowing inconsistencies with existing development standards so as to achieve affordable projects.	Ongoing	Annually the City Council approves Affordable Housing Policies and Procedures that include standardized criteria. Development standards are often modified when affordable housing projects are approved.
5.3.5	Develop preapplication review process for affordable housing projects.		This has been accomplished on an informal basis with applicants.
5.3.6	Give priority to affordable housing projects on Committee/Commission agendas.	Ongoing	This has been accomplished.
5.3.7	Give priority to affordable housing projects in plan check.	Ongoing	The City has recently experienced a drop in the number of residential projects undergoing plan check and there have been no apparent delays in processing.
5.4.1	Require new development to incorporate water saving devices.	Ongoing	This has been accomplished.
5.4.2	Encourage innovative water conservation techniques.	Ongoing	All state of the art techniques allowed by the UBC and health codes are being required.

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POLICIES AND STRATEGIES (condensed wording)		TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
5.4.3	Institute public information program about installing water saving devices to reduce water demand.	Ongoing	Ongoing
5.5.1	Provide information to developers and property owners regarding energy conservation and solar energy design features.	Ongoing	Information handouts regarding solar energy systems and design techniques were developed and distributed. Current information is focused mostly on compliance with Statewide energy standards.
5.5.2	Publish and distribute City's revised Solar Design Guidelines.	Ongoing	See 5.5.1
5.5.3	Establish procedure for reviewing new residential developments for energy conscious site design.	Ongoing	Site plans were reviewed by the Development Review Committee to encourage solar oriented design features.
5.5.4	Develop guidelines for encouraging and implementing resource recovery systems in new development.		A requirement to provide recycling bins is a standard condition for any large residential development.
5.6.1	Identify senior housing needs by following the U.S. Conference of Mayors, Assessing Elderly Housing guidelines.	Ongoing	See objective 3.9.2.
5.6.2	Amend Senior Housing Overlay (SHO) zoning ordinance to allow for profit developers to utilize this zoning designation.	Completed	

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POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
5.7.1 Continue to provide reduced parking requirement for senior housing projects in combination with bonus densities to encourage development of small apartment projects in R-3 and R-4 zones.	Ongoing	4 project or 30 units/yr	A number of projects were approved and developed with a reduced parking requirement. Parking impacts on the neighborhood have not generally occurred.
F. REGIONAL COORDINATION			
6.1.1 Adopt resolution acknowledging the effect on housing of commercial growth policies, annexation and public resources within the region.			This issue was discussed extensively as part of the General Plan Update which included a joint meeting of the City and County Planning Commissions and the preparation of region wide data in coordination with the Association of Governments.
6.1.2 Encourage County and South Coast cities to consider growth management and affordable housing policies.	Ongoing		Working closely with the City, the County has developed policies, standards and programs which are consistent with the City. The County also has instituted major nonresidential growth management strategies which may improve the regional jobs/housing balance.
6.1.3 Adopt resolution recognizing regional housing needs and committing to work with public and private sectors to provide solutions.			In adopting the General Plan Update nonresidential Growth Cap, the City Council also took action to establish residential development as the highest priority for future development and adopted a range of implementation strategies to promote the development of affordable housing.

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POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS	PROGRESS/APPROPRIATENESS
6.1.4 City and County meet to discuss special needs of farmworkers and develop recommendations.		See objective 1.3.3.
6.1.5 Work with County to develop uniform and congruent affordability criteria.	Completed	This was accomplished through City assistance in development of County inclusionary and in lieu fee programs.
6.2.1 Request SBCAG to prepare annual report on meeting fair share of Housing Allocation Plan.	Ongoing	A recommendation of the "Jobs/Housing Analysis" prepared by the Santa Barbara County Associations of Governments in 1989 is for the preparation of a biennial report monitoring the progress of each jurisdiction in developing housing particularly affordable housing and regulating nonresidential growth in concert with housing development.
6.2.2 Explore feasibility of using City and County Housing Authority ability to issue tax exempt bonds for public housing projects.	Ongoing	City Housing Authority issues tax exempt bonds for many of its public housing projects. In addition, at City request, Housing Authority has issued bonds for many shelter projects, such as New House, Transition House, Heath House. County Housing Authority has done no projects inside City limits.
6.2.3 Develop joint city/county applications for federal and state housing assistance.		County has lost most of its housing staff due to budgetary constraints and a pending staff reorganization. There has been joint funding of one project with local funds but no joint applications for assistance.

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POLICIES AND STRATEGIES (condensed wording)	TIMING/QUANTITATIVE GOALS		PROGRESS/APPROPRIATENESS
6.2.4 Continue discussions with County about creation of a South Coast Housing Finance Agency.	Ongoing		Discussions are ongoing through the South Coast Housing Issues Group.
6.2.5 Cooperate with County on issuance of tax exempt bonds to provide financing for first time home buyers.	Ongoing	20 units/yr	County's tax exempt bond program operates in City limits. City staff has referred several potential home buyers to it, including home buyers in City subsidized projects.
6.3.1 Continue to participate in Santa Barbara County Long Term Care Planning Council.	Ongoing		Staff participated through completion of the Long Term Care Plan

SECTION VII

GOALS, POLICIES, STRATEGIES AND QUANTIFIED OBJECTIVES

INTRODUCTION

This section identifies the City's housing goals and policies. The overall strategy is to adopt a balanced and diverse array of policies that cover seven areas of concern: opportunity, conservation, jobs/housing balance, construction, reduction of governmental constraints, regional cooperation and public education.

Goals are long range general guidance for the City's Housing Plan. The Goals Section discusses the State of California's goals and the City of Santa Barbara's goals.

State Goals

The State legislature set the context for housing goals when it stated its findings as part of the State's housing laws:

"(a) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.

(b) The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.

(c) The provision of housing affordable to low and moderate income households requires the cooperation of all levels of government.

(d) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.

(e) The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs." (Section 65580)

City Goals

The overall goal of the City of Santa Barbara is to ensure that decent, safe, and sanitary housing is available. The City will make every effort to provide adequate housing and a healthy living environment for all social and economic segments of the community, and will encourage a variety

of individual choices of tenure (rental or ownership), type, and location of housing throughout the community. The specific goals for the City's housing programs as presented in this Housing Element are:

Housing Opportunities	Ensure a full range of housing opportunities for all persons regardless of economic group, race, religion, sex, marital status, sexual orientation, ancestry, national origin or color. The City will base the enforcement of equal opportunity on provisions of State and Federal constitutions and fair housing laws, with emphasis on the protection of the housing rights of families with children. The City shall place special emphasis on providing housing opportunities for low income, moderate income and special needs households.
Conservation and Improvement of Existing Housing Stock	Conserve the City's existing housing stock and improve its condition while: minimizing displacement; maintaining housing affordable to all economic groups with special emphasis on low income, moderate income and special needs households; and preventing future blight or deterioration. Protect existing neighborhoods by preserving small scale, neighborhood oriented conveniences and services.
Jobs/Housing Balance	Balance existing and new housing demand with housing opportunities affordable to all economic groups, with special emphasis on low income, moderate income and special needs households (balance jobs/housing).
New Housing Development	Through the public and private sector, assist in the production of new housing opportunities which vary sufficiently in type and affordability to meet the needs of all economic and social groups, with special emphasis on housing that meets the needs of low income, moderate income and special needs households.
Reduction of Governmental Constraints	Where appropriate and legally possible, reduce and/or remove governmental constraints to the maintenance, improvement and development of housing.
Regional Cooperation	Coordinate with the efforts of surrounding communities, City efforts towards solving the region's housing problems in recognition of the regional nature of Santa Barbara's housing market.
Public Education	Expand public education regarding affordable housing to: 1) increase the public's awareness of the housing needs of low and moderate income and special needs households; and 2) inform the public about existing affordable housing opportunities and available resources.
Conclusion	Consideration of changes in the City's population, housing and employment characteristics, as well as the City's progress in implementing the adopted housing policies have been taken into account

in this 1992 Housing Element. Current key issues areas have been identified and discussed. The basic goals, policies and strategies presented in the 1985 Housing Element Update Addendum are still appropriate, although some have been revised or deleted. In addition, new goals, policies and strategies have been added where new needs were identified.

The following presents the policies of the 1992 Housing Element, which are courses of action chosen to guide decision making in pursuit of the City's housing goals, as well as the revised implementation strategies which are action plans to carry out the policies. While it would be desirable to immediately implement each of the strategies, it is recognized that the City has limited administrative and financial resources. Therefore, the strategies are prioritized and recommended for implementation over a five year period. This "Five Year Housing Program" is presented in Table 30, following the policies and strategies

HOUSING OPPORTUNITIES

Goal 1. *Ensure a full range of housing opportunities for all persons regardless of economic group, race, religion, sex, marital status, sexual orientation, ancestry, national origin or color. The City will base the enforcement of equal opportunity on provisions of State and Federal constitutions and fair housing laws, with emphasis on the protection of the housing rights of families with children. The City shall place special emphasis on providing housing opportunities for low income, moderate income and special needs households.*

Policy **1.1 Promote equal opportunity in housing.**

Implementation Strategies

1.1.1 Continue using CDBG funds to promote equal opportunity provisions and remedies under state and federal law.

1.1.2 If budget constraints allow, develop adequate staffing and funding to pursue enforcement actions against discrimination in housing under Civil Code Section 52 (c) with emphasis on discrimination against families with children in rental housing.

Policy **1.2 Support other agencies and nonprofit organizations in their efforts to provide shelter and services for the homeless.**

Implementation Strategies

1.2.1 Continue to fund programs which provide temporary shelter for runaway/abused youth, battered women and homeless families, and support their expansion.

1.2.2 Encourage the creation of a financial caretaker service for homeless recipients of Supplemental Security Income, General Relief or other funds.

Policy 1.3 Increase the supply and variety of transitional housing opportunities.

Implementation Strategies

1.3.1 Promote the development and assist the processing of transitional housing.

1.3.2 Coordinate with the County of Santa Barbara, the City of Carpinteria and other local jurisdictions to develop a program to create and maintain transition housing to help people move from homeless shelters to traditional housing.

Policy 1.4 Support programs and efforts designed to prevent homelessness.

Implementation Strategies

1.4.1 Seek to preserve the number of Single Room Occupancy units in the City for purposes of long term affordability.

1.4.2 Seek funding for homeless prevention programs, such as a program to provide short term financial assistance to households threatened by eviction due to inability to pay rent.

1.4.3 Explore the possibility of providing incentives for local hotels to accept Section 8 Certificates.

1.4.4 Support the conversion of existing hotels to Single Room Occupancy residential hotels.

Policy 1.5 Seek to ensure the availability of housing opportunities for low and moderate income seniors.

Implementation Strategies

1.5.1 Explore and potentially fund methods to fill the housing resource gap for seniors who can no longer live independently but do not need institutionalization.

1.5.2 Assist sponsors in developing congregate housing facilities for low to moderate income elderly.

1.5.3 Promote and assist the development and permitting of additional facilities which include a range of living conditions from fully independent living to intermediate care.

1.5.4 Encourage the expansion of support services such as house cleaning, cooking, shopping, financial advising to meet the needs of the older, independent senior population.

1.5.5 Explore the creation of a program for seniors, which would subsidize the gap between the cost of board and care services and Supplemental Security Income payments.

1.5.6 Explore alternative strategies for effective and cost effective homesharing programs, taking into account the limitations experienced in previous efforts.

1.5.7 Encourage facilities that meet the needs of the older senior population (75+), but remain small in scope and noninstitutional in style.

1.5.8 Participate in the Santa Barbara County Long Term Care Planning Council to develop coordinated strategies for addressing the housing needs of seniors on a countywide basis.

1.5.9 Continue to support programs that provide information about the advantages and disadvantages of home equity conversions for seniors with fixed incomes.

Policy **1.6** **The City shall seek to ensure the availability of housing opportunities for the low and moderate income disabled population.**

Implementation Strategies

1.6.1 Promote and assist the development and processing of congregate housing opportunities or board and care facilities for the low and moderate income, physically and mentally disabled.

1.6.2 Explore the creation of a program to support and assist landlords accepting mentally ill tenants.

1.6.3 Explore the creation of a program for the disabled population which would subsidize the gap between the cost of board and care services and Supplemental Security Income payments.

1.6.4 Explore legislation and/or regulatory revisions that would permit disabled persons to live in housing or mobile home parks that are restricted to seniors.

1.6.5 Request the Housing Authority to consider occupancy policies that would result in more opportunities for the disabled population.

Policy 1.7 Accessibility to the disabled shall be strongly encouraged in new residential development and housing to be rehabilitated.

Implementation Strategies

1.7.1 Distribute guidelines to builders which explain Federal and State laws regarding handicapped accessible units and which provide ideas and examples.

1.7.2 Investigate and implement policies which give incentives for handicapped accessible units to be included in projects.

1.7.3 Adhere to the Fair Housing Accessibility Guidelines in order to comply with the Fair Housing Act.

1.7.4 Continue the ongoing review of development plans for accessibility for the disabled.

CONSERVATION AND IMPROVEMENT OF EXISTING HOUSING STOCK

Goal 2. Conserve the City's existing housing stock and improve its condition while: minimizing displacement; maintaining housing affordable to all economic groups with special emphasis on low income, moderate income and special needs households; and preventing future blight or deterioration. Protect existing neighborhoods by preserving their small scale, neighborhood oriented conveniences and services.

Policy 2.1 **The City shall protect and preserve residential housing stock in all parts of the City including areas undergoing transition as a result of commercial expansion.**

Implementation Strategies

2.1.1 Consider rezoning residential areas west of Downtown and the Lower West neighborhood from R-4 (multifamily residential and hotel) to R-3 (multifamily residential).

2.1.2 Revise existing policies and regulations regarding nonconforming buildings and uses to allow repair and rehabilitation of existing housing in the M-1 (light industrial) zone.

Policy 2.2 **Based on existing thresholds, the City shall require replacement of residential units that are either converted to commercial use, or demolished and replaced with a commercial use.**

Implementation Strategies

2.2.1 Continue implementation of the Housing Mitigation Ordinance, Municipal Code Section 28.87.300.J.

Policy 2.3 **The City shall concentrate efforts to develop public improvements and neighborhood facilities in neighborhoods requiring revitalization.**

Implementation Strategy

2.3.1 Provide Community Development Block Grant and Redevelopment Agency funding in eligible areas to receive funding, for neighborhood centers, sidewalk and street light repairs and neighborhood clean up programs.

2.3.2 Conduct a series of studies in the Lower Westside, Westside, West Downtown, Laguna and Lower Eastside neighborhoods to assess available and necessary infrastructure and services to support existing and potential residents in these areas. These studies should assess issues including:

- Parks and Recreational Opportunities
- Open Space
- Neighborhood Services
- Community Centers
- Day Care Facilities
- Transportation and Circulation Patterns

- Schools
- Environmental Constraints

For each neighborhood, an advisory committee representative of the demographics of that neighborhood shall be appointed by City Council to review the scope of the study, identify public outreach strategies and review the recommendations of the study.

Policy 2.4 The City shall continue to expand its voluntary housing rehabilitation programs.

Implementation Strategies

2.4.1 Continue to provide rehabilitation loans to low and moderate income owner households in neighborhoods displaying the greatest need for rehabilitation.

2.4.2 Continue to provide low interest rehabilitation loans for public, private nonprofit and for profit housing sponsors to rehabilitate multifamily structures.

2.4.3 Investigate rehabilitation loan programs for the rehabilitation of mobile home park infrastructure.

2.4.4 When feasible or available, use additional sources such as tax credits and State rehabilitation funds to increase allocations to support existing and proposed voluntary housing rehabilitation programs.

2.4.5 Continue to survey neighborhoods that have the highest number and concentration of units in need of rehabilitation.

2.4.6 Continue to use local funds to finance the legalization of illegal units that would be affordable according to City criteria.

2.4.7 Offer financing to preserve existing affordable board and care facilities.

2.4.8 Increase outreach efforts to encourage homeowners and apartment owners to participate in the City's Housing Rehabilitation Loan Program.

2.4.9 Continue the City's Home Rehabilitation Loan Program's efforts to remove architectural barriers in the homes of handicapped citizens.

2.4.10 Continue to use Home Rehabilitation Loan Program funds to enlarge units to alleviate overcrowding.

Policy 2.5 The City shall continue to encourage residential property owners to improve the condition of their property to a level greater than the minimum standards of the Uniform Housing Code and to comply with the Zoning Ordinance; however, the City shall insist that all residential properties meet the minimum standards of the Uniform Housing Code.

Implementation Strategies

2.5.1 Consider ways to legalize illegal dwelling units as allowed by the Zoning Ordinance.

2.5.2 Consider an amnesty program in which illegal dwelling units could be legalized as allowed by the Zoning Ordinance.

2.5.3 Pursue all feasible opportunities to encourage energy conservation and solar retrofit in the City's existing housing stock.

2.5.4 Explore the creation of a program that would provide a bilingual ombudsperson for tenants in substandard units who wish to file a complaint. The program should have measures which protect a complainant against retaliation by the landlord.

2.5.5 Continue to require Zoning Information Reports when residential units change ownership.

2.5.6 Consider intensifying enforcement of the requirements of the Zoning Ordinance and the Uniform Housing Code only if adequate protection measures and relocation assistance are available for tenants who may be displaced by enforcement activities.

2.5.7 Consider implementing a program which would require owners of buildings found by the Division of Land Use Controls to be substandard to assume the financial burden of relocating their tenants to habitable units.

2.5.8 Implement the requirements of Sections 17299 and 24436.5 of the State Revenue and Taxation Code which prohibits a taxpayer who derives rental income from substandard housing from receiving income tax

deductions for interest, taxes, depreciation or amortization paid or incurred with respect to the substandard housing. Authorize the Land Use Controls Division to notify the Franchise Tax Board if a taxpayer has not brought a property into compliance with applicable housing codes in respect to health, safety and welfare.

Policy 2.6 **The City shall ensure that public projects requiring relocation plans under State or Federal relocation laws shall be coordinated and reviewed by the City. Affordable, decent, safe, and sanitary housing shall be available to those displaced. Fair compensation and relocation assistance shall be available to those displaced.**

Implementation Strategy

2.6.1 Review Federal, State, County and City agency relocation plans to assure that relocation plans for all such projects are coordinated and that ample relocation resources are available.

Policy 2.7 **Every effort shall be made to preserve those structures which are either architecturally significant, historically important or both. These buildings contribute to the atmosphere of historic Santa Barbara giving the neighborhoods a sense of history, character and variety.**

Implementation Strategies

2.7.1 Complete the architectural and historic resources survey of all properties in the City.

2.7.2 Use the completed architectural and historic resources survey to: determine specific buildings which shall receive a local landmark designation; determine specific buildings which shall receive a local Structure of Merit designation; generate nominations to the National Register of Historic Places; assist in the environmental assessment of proposed developments; evaluate the potential for small residential areas to receive Landmark District status; provide historical information to property owners interested in private rehabilitation and restoration, assist in planning public projects.

Policy 2.8 **New development in and/or adjacent to existing residential neighborhoods must be compatible in terms of scale, size, and design with the prevailing character of the established neighborhood. New development which would result in an overburdening of public circulation and/or on street parking**

resources of existing residential neighborhoods shall not be permitted, unless findings of overriding consideration can be made.

Implementation Strategies

2.8.1 Projects will be reviewed by the Architectural Board of Review, Planning Commission, and where applicable the Historic Landmarks Commission in accordance with established rules and procedures and pursuant to Implementation Strategy 5.2.18.

Policy 2.9 Maintain the affordability of existing low and moderate income dwelling units.

Implementation Strategies

2.9.1 Encourage the Housing Authority and nonprofit organizations to acquire and manage units whose affordability requirements are due to expire.

2.9.2 With respect to projects with expiring use provisions funded under the multifamily tax exempt financing in 1985, take the following steps:

1) Make a determination as to whether longer affordability is feasible under existing financing

2) Explore options for refinancing first mortgage bond

3) Explore potential for sale of project to nonprofit or the Housing Authority

4) As a last resort, require additional affordability as condition of subordination of existing second mortgages to new firsts.

2.9.3 With respect to New Carrillo Hotel, in conjunction with California Housing Partnership develop and carry out recommendations to provide additional public subsidy in exchange for longer affordability.

JOBS/HOUSING BALANCE

Goal *3.* *Balance existing and new housing demand from a diverse number of social and economic groups with housing opportunities affordable to all economic groups, with special emphasis on low*

income, moderate income, and special needs households (balance jobs/housing).

Policy 3.1 **The City shall make every effort to meet Santa Barbara's fair share of the regional housing need, as determined by the Santa Barbara County Association of Governments.**

Implementation Strategies

3.1.1 The City shall, through its adopted Condominium Conversion Ordinance (Chapter 28.88 of the Santa Barbara Municipal Code), provide an opportunity for housing ownership of all types, for all levels of income and in a variety of locations while maintaining a supply of rental housing for low and moderate income persons.

3.1.2 The City shall encourage the continued availability of rental housing at affordable rental rates.

3.1.3 Continue to assist the Housing Authority in publishing a pamphlet to encourage landlords to rent units through the Section 8 or similar program.

3.1.4 Encourage the passage of legislation that provides incentives for the construction of rental housing.

3.1.5 Support the development of infill residential projects in the City.

3.1.6 Update and revise annexation policies, especially to encourage annexations for affordable housing. Coordinate with LAFCO and the County of Santa Barbara to process applications for affordable housing annexations in a timely manner.

3.1.7 Support bonus density projects where appropriate.

3.1.8 Defer consideration of the possibility of allowing higher density residential Downtown.

Policy 3.2 **In accordance with Charter Section 1508, developments generating new employment from outside the South Coast area shall be in balance with available housing resources at prices affordable to the projected new employees who will be moving into the area.**

Implementation Strategies

3.2.1 Continue coordination with major employers and organizations such as the Coastal Housing Partnership, and encourage them to provide housing or housing incentives for their employees.

3.2.2 Monitor and encourage UCSB to implement with its Long Range Development Plan goals and policies to meet the existing and new demand for its students, faculty and staff.

3.2.3 Encourage City College to establish goals and policies to meet its existing and new demand for its students, faculty and staff.

3.2.4 Study the feasibility of zoning provisions that would encourage the development of group quarters for service workers.

NEW HOUSING DEVELOPMENT

Goal *4.* *Through the public and private sector, assist in the production of new housing opportunities which vary sufficiently in type and affordability to meet the needs of all economic and social groups, with special emphasis on housing that meets the needs of low income, moderate income and special needs households.*

Policy **4.1** **Construction of new affordable housing opportunities for owners and renters shall be encouraged.**

Implementation Strategies

4.1.1 Continue to solicit proposals for low and moderate income projects from private sponsors and develop programs to assist in their implementation.

4.1.2 Review and adopt an Affordable Housing Ordinance that includes the following provisions:

- Grant bonus density as required by State law. Clarify that proposed developments will be subject to appeal and can only be denied if specific findings can be made as provided by State law.
- Eliminate the need for a lot area modification if a proposed development meets State mandated

bonus density standards and affordability requirements.

- Require noticing of neighbors for ABR review of applications receiving bonus density if that is the only required discretionary review.

- Establish policies regarding discretionary review for moderate income bonus density developments (not subject to State law).

4.1.3 Continue to provide bonus density units above levels required by State law, to be reviewed on a case by case basis.

4.1.4 Continue to assist the development of infill housing including financial and management incentives in cooperation with the Housing Authority and private developers so as to use underutilized and small vacant parcels of land for new low and moderate income housing opportunities.

4.1.5 Adopt a policy consistent with Government Code Section 65590, concerning new housing developments within the Coastal Zone which would, where feasible, require housing units for persons and families of low and moderate income.

4.1.6 Pursue an amendment to the HRC-2 zone to allow second and third story residential units in areas where they are not presently allowed.

4.1.7 Continue to support special procedures for development, permitting, construction and early occupancy of "sweat equity" projects.

4.1.8 Encourage the construction of three bedroom and larger rental and ownership units.

4.1.9 Encourage the development of housing for first time home buyers, including moderate and middle income households.

4.1.10 Study the potential for possible residential reuse of existing nonresidential buildings.

4.1.11 Consider establishing a program that would allow Transfer of Development Rights within the residential zones for use by owners of properties which have severe site constraints.

4.1.12 Support the Housing Authority in efforts to develop and/or acquire three+ bedroom units.

Policy 4.2 Encourage resource conservation measures in new and rehabilitated residential developments and mixed use projects.

Implementation Strategies

4.2.1 Continue to provide information to developers and property owners regarding cost effective means of incorporating energy conservation and solar energy design features.

4.2.2 Continue to publish and distribute the City's Solar Design Guidelines.

4.2.3 Implement strategies adopted by City Council as part of the Source Reduction and Recycling Element and the Household Hazardous Waste Element of the Integrated Waste Management Plan.

Policy 4.3 Promote the development of housing for seniors and the disabled.

Implementation Strategies

4.3.1 Continue to provide reduced parking incentives for senior housing projects in combination with bonus densities to encourage the development of small apartment projects in the R-3 and R-4 zones.

4.3.2 Adopt site and unit design guidelines for senior and disabled units, which incorporate all relevant federal, state and local laws, as well as recommendations from the Disabled Advisory Committee on Access.

4.3.3 Encourage the development of senior apartments which are affordable to very low income seniors.

Policy 4.4 Apply for, or support others in applying for, all available public and private financial assistance for affordable housing projects.

Implementation Strategies

4.4.1 Identify potential sites throughout the City and evaluate the feasibility of acquiring identified sites. Identify sponsors to propose and develop housing applications and to purchase the sites. Residential and mixed use (commercial and housing) projects should be encouraged.

4.4.2 Where feasible, make available surplus City owned land for the development of affordable housing.

4.4.3 Inventory all land in the City owned by County, State and Federal governments, the Santa Barbara School and High School Districts and public utilities and actively pursue acquisition, preferably through dedication of said land for development of low and moderate income housing.

4.4.4 Pursue relocation of the National Guard and Army Reserve in order to obtain land for housing, park, school or other public benefits.

4.4.5 Seek voluntary offers to record an agreement offering the City first right of refusal to buy residential and commercial land owned by nonprofit organizations or public utilities.

4.4.6 Continue to require nonprofit organizations that receive funding from the City to record an agreement offering the City first right of refusal to buy residential and commercial land they own, prior to its disposition.

4.4.7 Consider creation of Mortgage Credit Certificate Program as authorized by Federal and State law.

4.4.8 Identify potential Single Room Occupancy (SRO) projects and assist in obtaining funding. Pursue financing through the Redevelopment Agency for any project in the Redevelopment Area.

4.4.9 Continue support for limited and nonequity cooperative conversion projects through ongoing administration of the HUD Innovative Grant and Cooperative Down Payment Loan Fund and by coordinating technical assistance to private sponsors interested in such conversions.

4.4.10 Identify and support projects in applying for State funding for tenant purchase of mobile home parks.

4.4.11 Continue to support and encourage the real estate lending programs of local financial institutions.

4.4.12 Continue to explore the feasibility of cooperating with major employers in Santa Barbara County to use pension funds as a source of mortgage capital.

4.4.13 Continue the use of Redevelopment Agency tax increment funds to assist sponsors in developing low and moderate income housing opportunities which will benefit the Redevelopment Project Area or the City. When possible, increase the portion of the Redevelopment Agency's annual tax increment funds earmarked for affordable housing.

4.4.14 Continue the use of Community Development Block Grant funds to share in paying for costly site improvements when this will assist a developer to produce low and moderate income housing.

4.4.15 Identify and support developers in applying for State, Federal and private foundation resources to finance affordable housing.

4.4.16 Consider establishing a homeownership program for those households that earn between 120% and 150% of the median income. Funds for this program should not be diverted from higher priority groups.

4.4.17 Continue the use of Housing Mitigation Ordinance funds to assist sponsors in the development of low and moderate income housing.

4.4.18 Consider establishing a program that would make low interest loans for down payment assistance for the purchase of market rate housing.

4.4.19 Expand loans and grants for predevelopment costs (including City application fees, architect and engineer's fees, site acquisition, technical studies) and public improvement costs of affordable housing projects.

4.4.20 Encourage the Federal Government to provide more Section 8 Certificates.

4.4.21 Encourage the expansion of a private sector funded program which makes loans to renters for first and last month's rent and security deposit or bridge loans for people temporarily out of work.

4.4.22 Initiate a study to explore the possibility of a deed transfer tax to generate revenue to subsidize housing for low and moderate income residents.

4.4.23 Support efforts to form a consortium comprised of local lenders, the Housing Authority and the City to use available resources to facilitate the financing of affordable and special needs housing developments.

4.4.24 Consider establishing a program for City employees, especially those involved with public safety, that would provide assistance in obtaining housing within the City.

Policy 4.5 The City shall support the creation of new programs to aid the disabled to secure accessible housing.

Implementation Strategies

4.5.1 Seek funding to create and fund technical assistance programs for builders wishing to construct or convert housing for the disabled. Programs could include free architectural services to rental property owners and developers, as well as construction grants for the development of accessible housing.

Policy 4.6 The City shall support the creation of new programs to aid the homeless and those on the verge of becoming homeless to secure housing.

Implementation Strategies

4.6.1 Support fund raising activities for operational and service needs (such as child care and job training) of homeless shelter and service providers. Provide financing when possible.

4.6.2 Encourage the creation of a fund for victims of personal catastrophic circumstances which reduce income to levels which result in homelessness.

Policy 4.7 The City shall monitor housing development.

Implementation Strategies

4.7.1 Monitor and report semiannually the number of dwelling units which are being constructed (including bonus

density units), converted to commercial and demolished and not replaced.

4.7.2 When the number of dwelling units in the City reaches 39,000, a public process shall begin to discuss the extent and nature of future residential growth in the City.

REDUCE GOVERNMENTAL CONSTRAINTS

Goal *5.* *Where appropriate and legally possible, reduce and/or remove governmental constraints to the maintenance, improvement, and development of housing.*

Policy **5.1** **Assist affordable housing sponsors to produce affordable housing by minimizing the time and cost associated with the development review process while maintaining the City's commitment to good planning and environmental protection.**

Implementation Strategies

5.1.1 Develop and maintain a system for use of the City's Master Environmental Assessment Document as a means of expediting the environmental review process consistent with State law regarding housing.

5.1.2 On an ongoing basis, evaluate the current development review system and make recommendations for methods of improvement.

5.1.3 Give priority to affordable housing projects on Committee and Commission agendas.

5.1.4 Give priority to affordable housing projects in plan check prior to issuance of building permits.

5.1.5 Continue to provide preapplication reviews to assist developers of all affordable housing projects.

Policy **5.2** **Review City development standards, and implement changes which would make the standards more flexible for housing projects, especially affordable housing projects, if appropriate.**

Implementation Strategies

5.2.1 Review and adopt development standards that will provide incentives for mixed use developments in commercial zones.

5.2.2 Hold an annual public meeting to solicit feedback on regulatory barriers to the development of affordable housing.

5.2.3 Continue to allow secondary dwelling units as permitted in the existing Conditional Use Permit Section of the Zoning Ordinance.

5.2.4 Amend the Zoning Ordinance to apply variable density as currently allowed in the R-3 and R-4 Zones, to the R-0, C-1, C-2 and C-M Commercial/Industrial Zones. (Ordinance Number 4772 adopted by City Council on June 23, 1992).

5.2.5 Consider amending the Zoning Ordinance, following further study, to allow lots in the R-2 Zone, which have between 5,000 and 6,000 square feet of lot area, to be eligible for duplex development under limited conditions.

5.2.6 Consider an amendment to the Planned Unit Development (PUD) provisions of the Zoning Ordinance to allow PUD's to be developed as apartments (for rental) with the ability to be configured as two story flats, and to allow for up to 25% increased density for affordable units, consistent with State law.

5.2.7 Amend the Zoning Ordinance to eliminate the Conditional Use Permit requirement for developments that involve four or more proposed units on parcels in the R-2 Zone.

5.2.8 Revise the open space requirements in the R-2 Zone for proposed developments which involve four or more units. Correlate the required open space with the total number of bedrooms in the proposed units.

5.2.9 Retain the minimum common open space requirement of 1,250 square feet but consider allowing flexibility in how the open space is provided for all R-2 zoned lots.

5.2.10 Amend the Zoning Ordinance to reduce the minimum dwelling unit size to 400 square feet for single family residences and duplex units.

5.2.11 Amend the Zoning Ordinance to require one covered and one uncovered parking space for each detached single family residence when two or more detached single family residences are proposed on a single parcel in the R-2, R-3, and R-4 zones.

5.2.12 Revise existing policy to allow new apartment and affordable condominium developments to be served by a single water meter for interior uses with on-line meters for each unit.

5.2.13 Explore revisions to the California Environmental Quality Act (CEQA) Guidelines and the City's environmental review procedures and process including the following:

- Request the State Office of Planning and Research (OPR) to authorize an interpretation of the California Environmental Quality Act Guidelines regarding the Categorical Exemption for projects involving six or fewer units so that in such cases only net new units would be counted.

- Request that OPR consider revising this Categorical Exemption for projects which involve six or fewer units to a higher number, such as ten units.

- Direct Staff and the Planning Commission to consider and recommend revisions to the City's environmental procedures and process.

Proposed developments should continue to be assessed for potential significant cumulative environmental impacts.

5.2.14 Encourage the federal and state governments to establish policies and expand programs that will assist in the production and financing of residential development including the following:

- Adopt legislation or regulatory changes that will result in an expanded secondary mortgage market for mixed use and affordable housing developments.

- Revise the tax code to provide incentives for the construction and ownership of rental housing.

- Increase funding for affordable housing programs.

- Amend the Community Reinvestment Act to require banks and savings associations to provide more financing for the production of affordable housing.

- Adopt legislation that will facilitate the use of Mortgage Credit Certificates and tax exempt bond financing for affordable housing in higher cost areas.

5.2.15 Direct Staff to designate a Staffperson to make the facilitation of affordable housing applications a high priority.

5.2.16 Amend the Zoning Ordinance to reduce the off street parking requirements for low and very low income rental duplex and multifamily housing. Require one space per unit plus one guest space for every four units if the development has over six units.

5.2.17 Amend the Zoning Ordinance to exempt developments which include duplex units for low and very low income tenants from the requirement to provide covered parking spaces, provided that adequate enclosed storage space which is accessible from the outside is provided for each unit.

5.2.18 Consider amending the ABR and Historic Landmarks Commission Guidelines to clarify City policies concerning the design review of proposed affordable housing developments.

REGIONAL COOPERATION

Goal 6. *Coordinate City efforts towards solving the region's housing problems with the efforts of surrounding communities in recognition of the regional nature of Santa Barbara's housing market.*

Policy 6.1 Acknowledge that housing problems are regional in nature and make a commitment to work with neighboring jurisdictions and the private sector to solve them in a regional manner.

Implementation Strategies

6.1.1 Continue to work with the Santa Barbara County Association of Governments (SBCAG) to equitably distribute the regional housing need, and request SBCAG to prepare an annual monitoring report on the progress of each jurisdiction in meeting the requirements of the Regional Housing Needs Plan and jobs/housing balance issues.

6.1.2 Encourage and support the County's efforts to address the special housing needs of farmworkers.

6.1.3 Continue coordination with the County to maintain uniform affordability criteria.

6.1.4 Explore joint housing development opportunities, such as mobile home parks, with the County of Santa Barbara and the City of Carpinteria.

6.1.5 Explore the possibility of joint meetings between the City's Planning Commission and the Planning Commissions of other jurisdictions.

6.1.6 Coordinate with the Metropolitan Transit District (MTD) for the provision of public transportation to new housing developments.

Policy 6.2 Encourage the operation of housing programs on a regional basis.

Implementation Strategies

6.2.1 Explore opportunities for joint City/County applications for Federal and State housing assistance programs.

6.2.2 Continue exploration of the potential creation of a South Coast housing agency to coordinate programs and resources.

6.2.3 Cooperate with the County on issuance of tax exempt bonds to provide financing for first time home buyers.

PUBLIC EDUCATION

Goal 7. *Expand public education regarding affordable housing to: 1) increase the public's awareness of the housing needs of low income, moderate income and special needs households; and 2) inform the public about existing affordable housing opportunities and available resources.*

Policy 7.1 The City shall inform the public of housing needs that exist in the community.

Implementation Strategies

7.1.1 Encourage broad based support in the community for the siting and permitting of affordable housing projects, senior housing, homeless shelters, and group homes for persons with disabilities or fatal diseases.

7.1.2 Cosponsor a workshop with housing and shelter providers that focuses on the emotional and structural attitudes that limit and prohibit the production of affordable housing, senior housing, homeless shelters, and group homes for persons with disabilities or fatal diseases.

7.1.3 Use public access television to provide information on affordable housing: what it is, who it is for, why it is necessary, and how NIMBYism affects its production.

7.1.4 Increase the use of Public Service Announcements to provide information on available resources and housing opportunities.

7.1.5 Provide information to potential developers regarding the need for large (3+ bedroom) units.

Policy 7.2 Inform the public of opportunities that currently exist in the community through forums with community leaders and neighborhood groups and through publications.

Implementation Strategies

7.2.1 Publicize the availability of California income tax deductions to those persons rehabilitating property for handicapped access.

7.2.2 Continue to publish and distribute a resource guide to inform consumer households of available housing opportunities and community programs.

7.2.3 Continue to provide information and limited technical assistance to property owners concerning compliance with Title 24 regulations (the standards for accessibility by the disabled).

QUANTIFIED OBJECTIVES

Based on the needs assessment, the regional housing needs, the evaluation of the previous Housing Element and current and projected planning and development, Table 34 shows estimates of the quantified objectives for the 1992-1997 timeframe of this Housing Element.

New Construction

Because of the scarcity of large vacant parcels in Santa Barbara, residential development will occur primarily on an infill basis. The most accurate method of estimating future residential development is to adjust historic construction rates based on current and projected development trends. From 1980-1991, in Santa Barbara an average of 211 new dwelling units were constructed per year. However, the number of dwelling units has decreased continuously since 1987 for a number of reasons including a national recession, limited availability of conventional financing, reductions in Federal funding for assisted housing and local drought conditions. In 1991, 44 new dwelling units were constructed. While water supplies are no longer a constraint locally, other factors will probably continue to constrain construction. Therefore, the City expects only a gradual increase in the number of dwelling units to be constructed over the next five years. That number is expected to level off at an annual rate of about 175 units per year in 1996.

The total number of dwelling units estimated to be built in five years is based on the assumption that there would be gradual increases every year through 1996. As stated previously, 44 units were constructed in 1991. The following equation was used to estimate the annual increases in the construction rate: 175 (units expected to be constructed in 1996) - 44 (units constructed in 1991) = 131/5 (years in this planning period) = 26 increase in units constructed per year for five years.

Estimated New Units to Be Constructed Per Year (1992-1996)

1992	70
1993	96
1994	122
1995	148
1996	175
Total	611

To estimate the quantified objectives by income category, the total of 611 units was distributed to the income categories (25% very low, 17% low, 20% moderate and 38% above moderate) using the distributions given by the Regional Housing Needs Plan. This resulted in 153 very low income units, 104 low income units, 122 moderate income units and 232 above moderate units.

Conservation

The number of very low income units to be preserved (347) is based on the affordability preservation of two affordable projects (50 units at the Presidio Park Apartments, and 85 units at the New Carrillo Hotel), the preservation of 200 additional Section 8 Certificates and vouchers beyond the 1,081 currently in use here and 12 at-risk units obtained through the Multifamily Financing Program of the mid-1980s.

The number of low income units to be preserved (185) is based on the preservation of 85 units at the New Carrillo Hotel, 50 units proposed for conversion of one or more motels to affordable housing, and the preservation of an existing 50 unit SRO hotel.

The number of moderate and above moderate units to be preserved (122, 123 respectively) is based on the strategies in the work program, which result in approximately 245 units in the five year period. This number is split equally between the moderate and above moderate categories, as the strategies do not specify that the preserved units be maintained at affordable rates.

In addition, the recently adopted residential replacement requirements contained in the Zoning Ordinance preserve units in all commercial zones. The loss of residential units was occurring due to the transitioning from residential to commercial use in many areas. The Ordinance requires replacement (either on site or off site) of all residential units in commercial zones except when less than 1,000 square feet of existing residential use is proposed for demolition or conversion. The number of units that will be preserved as a result of the Ordinance is expected to be substantial but difficult to quantify. The City has established procedures to keep track of the number of replacement units as well as the number of units demolished without replacement in all commercial zones.

Rehabilitation

The number of very low income units to be rehabilitated (135) is based on Staff estimates of 75 single family owner occupied units and 60 rental units to be rehabilitated over the five year period through the Home Rehabilitation Loan Program.

The number of low income units to be rehabilitated (100) is based on Staff estimates of 50 single family owner occupied units and 50 rental units to be rehabilitated over the five year period through the Home Rehabilitation Loan Program.

The number of moderate income units to be rehabilitated is based on a Staff estimate of 40 units through 1996. No units for households with incomes above moderate are anticipated to be rehabilitated over the five year period.

TABLE 34

Quantified Objectives by Income Category
City of Santa Barbara
1992 - 1997

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
New Construction	153	104	122	232	611
Conservation	347	185	122	123	777
Rehabilitation	135	100	40	0	275

SECTION VIII

FIVE YEAR WORK PROGRAM

INTRODUCTION

This section identifies Santa Barbara's Five Year Work Program, which sets the schedule, responsible agency, time to complete, budget estimate (if beyond the existing levels of service), anticipated outcome and potential funding source for each strategy listed in Section VII. Table 35 contains the Five Year Work Program.

Abbreviations

The following abbreviations are used in Table 35:

CAO	City Attorney's Office
CDBG	Community Development Block Grant funds
CRA	Community Reinvestment Act
FY	Fiscal Year
HOME	A Federal Funding Program
HRD	Housing and Redevelopment Division
HSD	Human Services Division
LRDP	Long Range Development Plan
LUC	Land Use Controls Division
PD	Planning Division
PW	Public Works Department
RDA	Santa Barbara Redevelopment Agency
SEMP	Socioeconomic Monitoring and Mitigation Program

Notes

With the exception of efforts that are ongoing or underway, the schedule of the work program has been left blank due to uncertainties with the State budget. After resolution of the State budget and before final adoption of this Housing Element, the schedule will be filled out completely.

The program as currently outlined assumes that no major financial, economic, political or other major development constraint will occur. It assumes that funding resources (federal, state,and local) will continue to be available and that current workload allocation/levels of service will continue to be set and budgeted annually by the City. This program also assumes that Staff will have the time and resources to pursue the Five Year Work Program. And finally, the program assumes that developers will continue to be interested in pursuing innovative housing programs in Santa Barbara. In many cases, the budget estimate in the following table has been left blank, indicating work that will be completed by City Staff within the existing budget levels of service. Budget estimates provided indicate work efforts that will require consultant services or outside funding sources.

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
			1. HOUSING OPPORTUNITY				
1.1.1	Use CDBG funds for a public outreach campaign publicizing equal opportunity provisions and remedies.	Ongoing	Housing and Redevelopment Division Staff (HRD)	Ongoing	$2,000/yr	Education	CDBG
1.1.2	If budget allows, develop adequate staffing to pursue enforcement actions against discrimination in housing.	Ongoing	HRD/City Attorney's Office (CAO)	Ongoing	$20,000/yr	5 cases/yr	CDBG, General Fund
1.2.1	Continue to fund programs which provide temporary shelter for runaway or abused youth, battered women and homeless families.	Ongoing	HRD/Human Services Division (HSD)	Ongoing	$50,000/yr	75 youths aided/yr	CDBG, RDA, General Fund, Federal
1.2.2	Encourage the creation of a financial caretaker service for homeless recipients of SSI, GR or other funds.		HRD	1 year	$5,000	70 cases assisted	Private
1.3.1	Promote and assist the development of transitional housing opportunities.	Ongoing	HRD/Planning Division (PD)	Ongoing	$200,000/yr	One 70 person shelter	CDBG, RDA, Federal, County

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
1.3.2	Coordinate with the County to develop a program to create and maintain transitional housing.		HRD	1 year		One 70 person shelter	RDA, Federal, CDBG, County
1.4.1	Seek to preserve the number of SRO units in the City for long term affordability.	Ongoing	HRD	Ongoing	$500,000	One 35 room hotel preserved	RDA, HOME, Federal
1.4.2	Seek funding for homeless prevention programs.	Ongoing	HRD/HSD	Ongoing	$15,000/yr	Tenant protection	CDBG, County, Federal, General Fund
1.4.3	Explore the possibility of providing incentives for local hotels to accept Section 8 Certificates.		HRD	6 months	$5,000	Place 25-50 Section 8 Certificate holders	RDA, Federal
1.4.4	Support the conversion of existing hotels/motels to SRO hotels, senior housing.	Ongoing	HRD/PD	Ongoing	$500,000 per project	One 35 room motel converted	RDA, HOME, Federal
1.5.1	The City shall pursue filling the housing resource gap for seniors who can no longer live independently but do not need institutionalization.	Ongoing	HRD	Ongoing	$50,000/yr	Services provided to 50 seniors	CDBG, General Fund, Federal

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
1.5.2	Assist sponsors in developing congregate housing facilities for low and moderate income elderly.	Ongoing	HRD	Ongoing	$250,000	One facility	CDBG, RDA, General Fund, Federal
1.5.3	Promote and assist the development of additional facilities which include a range of living conditions from fully independent living to intermediate care.	Ongoing	HRD/PD	Ongoing	$250,000	One facility	CDBG, RDA, General Fund, Federal
1.5.4	Encourage the expansion of support services for seniors.	Ongoing	HRD/HSD	Ongoing	$50,000/yr	50 additional seniors served	CDBG, General Fund
1.5.5	Explore the creation of a program for seniors, which would subsidize the gap between the cost of board and care services and SSI payments.		HRD	1 year	$50,000/yr	10 seniors served	Federal, Private, General Fund
1.5.6	Explore alternative strategies for effective and cost effective homesharing programs.		HRD	1 year	$20,000	50 households/yr	CDBG, General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
1.5.7	Encourage facilities that meet the needs of the older senior population (75+), but remain small in scope and noninstitutional in style.		HRD	1 year	$400,000	Two group homes (5 persons each)	RDA, HOME, Federal Public Housing
1.5.8	Participate in the Santa Barbara County Long Term Care Planning Council.	Ongoing	HRD	Ongoing	$5,000	Regional Coordination	RDA
1.5.9	Continue to support the provision of reverse annuity mortgages for senior homeowners with fixed incomes.	Ongoing	HRD	Ongoing	$5,000	Promote financial mechanisms to assist seniors	RDA
1.6.1	Promote the development of congregate housing opportunities for the low and moderate income, physically and mentally disabled.	Ongoing	HRD	Ongoing	$400,000	One congregate facility (10+ persons)	RDA, HOME, SEMP, Federal
1.6.2	Explore the creation of a program to support and assist landlords accepting mentally ill tenants.		HRD	1 year	$30,000/yr	Assistance for 10 residents	Federal, RDA

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
1.6.3	Explore the creation of a program for the disabled, which would subsidize the gap between the cost of board and care services and SSI payments.		HRD	1 year	$50,000/yr	Assistance for 10 disabled	Federal, Private, General Fund
1.6.4	Explore legislation that would allow disabled persons to live in housing that is restricted to seniors.		HRD	6 months	$5,000	Analysis of policy	RDA
1.6.5	Request the Housing Authority to consider occupancy policies that would result in more opportunities for the disabled population.		HRD	3 months	$2,000	Revised policies if feasible	RDA
1.7.1	Distribute handicapped accessibility guidelines to builders.	Ongoing	Land Use Controls (LUC)	Ongoing		Distribution of guidelines	General Fund
1.7.2	Investigate and implement policies which give incentives for handicapped accessible units to be included in projects.	Ongoing	PD/LUC	Ongoing		Create incentives	General Fund
1.7.3	Adhere to the Fair Housing Accessibility Guidelines in order to comply with the Fair Housing Act	Ongoing	HRD/LUC	Ongoing		Promote accessible dwelling units	

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
1.7.4	Continue the ongoing review of development plans for accessibility for the disabled.	Ongoing	LUC	Ongoing		Promote accessible dwelling units	
	2. CONSERVATION AND IMPROVEMENT OF EXISTING HOUSING STOCK						
2.1.1	Consider rezoning residential areas west of Downtown and the Lower Westside neighborhood from R-4 to R-3.		PD	6 months		Protect and promote residential uses	General Fund
2.1.2	Revise existing policy to allow repair and rehabilitation of existing housing in the M-1 zone.		PD	6 months		Preservation of 5 units/yr	General Fund
2.2.1	Continue implementation of the Housing Mitigation Ordinance	Ongoing	PD	Ongoing		Preservation of 10 dwelling units/yr	

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
2.3.1	Provide CDBG and RDA funding for neighborhood centers, sidewalk and street light repairs and neighborhood clean up programs		HRD	2 years	$200,000/yr	Conserve neighborhoods and provide needed facilities and services	CDBG, General Fund, RDA, Federal Public Works Grants, State Public Works Grants, Tax Exempt Financing
2.3.2	Conduct neighborhood studies in identified neighborhoods.		PD	2 years		Assessment of necessary facilities and services for existing and future residential development	General Fund
2.4.1	Continue to provide rehabilitation loans to low and moderate income households in neighborhoods displaying the greatest need for rehabilitation.	Ongoing	HRD	Ongoing	$800,000/yr	20 rehab clients/yr	CDBG, RDA

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
2.4.2	Continue to provide low interest rehabilitation loans for public and private nonprofit housing sponsors.	Ongoing	HRD	Ongoing	$400,000/yr	10 units/yr	CDBG, SEMP, RDA, HOME, Tax exempt financing, Tax credits, Public housing
2.4.3	Investigate rehabilitation loan programs for the rehabilitation of mobile home park infrastructure.		HRD		$250,000	Rehab 1 mobile home park	State, Comm. Reinvest. Act (private lender), Tax exempt financing, Federal
2.4.4	Use additional funding sources to increase allocations to support existing and proposed voluntary housing rehabilitation programs.	Ongoing	HRD	Ongoing	$10,000	Secure loan source	SEMP, General Fund, State, Federal
2.4.5	Identify neighborhoods that have the highest number and concentration of units in need of rehabilitation.		HRD	3 months	$5,000	Conduct study	CDBG

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
2.4.6	Continue to use local funds to legalize "illegal" units that would be affordable.	Ongoing	HRD	Ongoing	$200,000	5 units/yr	RDA
2.4.7	Offer financing to preserve existing affordable board and care facilities.	Ongoing	HRD	Ongoing	$200,000	5 units/yr	CDBG, RDA, Federal, HOME
2.4.8	Increase outreach efforts to encourage homeowners and apartment owners to participate in the City's Housing Rehabilitation Loan Program.	Ongoing	HRD	Ongoing	$20,000	60 prospective clients/yr	CDBG
2.4.9	Continue the City's Home Rehabilitation Loan Program's efforts to remove architectural barriers in the homes of handicapped citizens.	Ongoing	HRD	Ongoing	$300,000	10 units/yr	CDBG, RDA
2.4.10	Continue to use Home Rehabilitation Loan Program funds to enlarge units to alleviate overcrowding.	Ongoing	HRD	Ongoing			CDBG, RDA
2.5.1	Consider ways to legalize illegal dwelling units as allowed by zoning.	Ongoing	LUC/PD	Ongoing		Promote the legalization of 6 units/yr	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
2.5.2	Consider an amnesty program, in which illegal dwelling units could be legalized as allowed by zoning.		CAO/PD/LUC	Depends on program design		Unknown	General Fund
2.5.3	Pursue all feasible opportunities to encourage energy conservation and solar retrofit in the City's existing housing stock.	Ongoing	PD/LUC	Ongoing	$5,000 (publicity)	Educate the public	CDBG, RDA
2.5.4	Explore the creation of a program that would provide a bilingual ombudsperson for tenants in substandard units who wish to file a complaint.	Ongoing	HRD/LUC	Ongoing	$20,000	Establish bilingual Staff as ombudsperson	CDBG
2.5.5	Continue to require Zoning Information Reports when residential units change ownership.	Ongoing	LUC	Ongoing			General Fund
2.5.6	Consider intensifying enforcement of the requirements of the Zoning Ordinance and the Uniform Housing Code only after adequate protection measures and relocation assistance are available.	Ongoing	HRD/LUC/PD	Ongoing			

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
2.5.7	Consider implementing a program which would require owners of buildings found by the Division of Land Use Controls to be substandard to assume the financial burden of relocating their tenants to habitable units.		HRD/LUC	6 months	$10,000	New program	RDA, CDBG, General Fund
2.5.8	Implement the requirements of the State Revenue and Taxation Code which prohibits a taxpayer who derives rental income from substandard housing from receiving income tax deductions for interest, taxes, depreciation or amortization paid or incurred with respect to the substandard housing.		HRD/LUC	Ongoing	$40,000/yr	Unknown	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
2.6.1	Review Federal, State, County and City agency relocation plans to assure that relocation plans for all such projects are coordinated and that ample relocation resources are available.	Ongoing	HRD	Ongoing	$5,000	Plans coordinated	CDBG, RDA
2.7.1	Complete the architectural and historic resources survey of all properties in the City.	As financial resources are available	PD	Ongoing		Preserve architectural and historic resources	State, Private, General Fund
2.7.2	Use completed survey as resource to determine possible Landmark or Structure of Merit designations, to evaluate small residential areas for Landmark Districts and in the planning review process.	Ongoing	PD	Ongoing		Preserve architectural and historic resources	State, Private, General Fund
2.8.1	Projects will be reviewed by the ABR and PC with rules and procedures established in the Housing Mitigation Ordinance.	Ongoing	PD/HRD	Ongoing		Replacement of existing units	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
2.9.1	Encourage the Housing Authority and nonprofit organizations to acquire and manage units whose affordability requirements are due to expire.	Ongoing	HRD	Ongoing	$1.5 million	100 units saved	RDA, HOME, Federal tax exempt financing, Tax Credits, SEMP
2.9.2	Explore options to preserve developments with expiring use provisions funded under the multifamily tax exempt financing.	Completed by June 1997	HRD	5 years	$1 - 900,000, depending on option chosen		RDA, HOME, SEMP, tax exempt refunding, CDBG
2.9.3	With respect to the New Carrillo Hotel, develop and carry out recommendations to provide additional public subsidy in exchange for longer affordability	Completed by June, 1995	RDA	3 years	$1 million		RDA, HOME, SEMP, CDBG
	3. JOBS/HOUSING BALANCE						
3.1.1	The City shall provide opportunities for housing ownership through its adopted Condominium Conversion Ordinance.	Ongoing	PD	Ongoing		20 conversions per year	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
3.1.2	The City shall encourage the continued availability of rental housing at affordable rental rates.	Ongoing	PD	Ongoing		Preservation of rental housing	General Fund
3.1.3	Provide funds to assist the Housing Authority in publishing a pamphlet to encourage landlords to rent units through the Section 8 or similar program.		HRD	1 month	$2,000	5,000 pamphlets distributed	Federal
3.1.4	Encourage the passage of legislation that provides incentives for the construction of rental housing.		HRD	1 year	$10,000	Legislation adopted	RDA
3.1.5	The City shall support the development of infill residential projects in the City.	Ongoing	PD	Ongoing		Appropriate infill development	General Fund
3.1.6	Update and revise annexation policies, especially to encourage annexations for affordable housing.	FY 92-93	PD	6 months		Clear annexation policies and coordinated processing of applications	General Fund
3.1.7	The City shall support bonus density projects where appropriate.	Ongoing	PD/HRD	Ongoing		20 bonus density units/yr	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
3.1.8	Defer consideration of the possibility of allowing higher density residential downtown.	On hold	PD	On hold		Unknown	
3.2.1	Continue coordination with major employers and organizations such as the Coastal Housing Partnership, and encourage the provision of housing or housing incentives for employees.	Ongoing	HRD	Ongoing	$1.2 million	30 units produced	RDA
3.2.2	Monitor and encourage UCSB to implement its LRDP goals and policies to meet the existing and new demand for its students, faculty and staff.	Ongoing	PD/HRD	Ongoing		Implementation of UCSB's LRDP	General Fund
3.2.3	Encourage City College to establish goals and policies to meet its existing and new demand for its students, faculty and staff.	Ongoing	PD/HRD	Ongoing		An LRDP amendment that addresses SBCC's housing needs	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
3.2.4	Study the feasibility of zoning provisions that would encourage the development of group quarters for service workers.		PD	6 months		Proposed Zoning Ordinance amendments	General Fund
	4. NEW HOUSING DEVELOPMENT						
4.1.1	Continue to solicit proposals for low and moderate income projects from private sponsors.	Ongoing	HRD		$2 million	50 units/yr	RDA, HOME, State, Tax exempt financing, Tax credits, SEMP, Federal, CRA loans, CDBG, County
4.1.2	Review and adopt an Affordable Housing Ordinance.	FY 92-93	CAO/HRD/PD		$10,000	Adopted Ordinance	RDA, General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.1.3	Continue to provide bonus density units above levels required by State law, to be reviewed on a case by case basis.	Ongoing	PD/HRD	Ongoing		10 units/yr	General Fund
4.1.4	Continue to encourage and assist the development of infill housing to encourage the use of underutilized and small vacant parcels of land for new low and moderate income housing opportunities.	Ongoing	HRD	Ongoing	$800,000/yr	20 units/yr	CDBG, RDA, HOME, SEMP, Federal, Tax exempt financing, Tax credits, CRA loans
4.1.5	Adopt a policy which would, where feasible, require housing units for persons and families of low and moderate income in the Coastal zone.		PD	6 months		Encourage new affordable housing	General Fund
4.1.6	Pursue an amendment to the HRC-2 zone to allow second and third story residential units in areas where they are not presently allowed.		PD	1 year		Encourage new residential opportunities	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.1.7	Continue to support special procedures for development, permitting, construction and early occupancy of sweat equity projects.	Ongoing	PD/LUC	Ongoing		Lower costs for sweat equity projects	General Fund
4.1.8	Encourage the construction of three bedroom and larger rental and ownership units.	Ongoing	HRD/PD	Ongoing	$1 million	25 units	RDA, CDBG, HOME, SEMP, Federal tax exempt financing, CRA loans, Tax credits
4.1.9	Encourage the development of housing for first time home buyers.	Ongoing	HRD	Ongoing	$400,000/yr	10 units/yr	RDA, CRA loans
4.1.10	Study the potential for possible residential reuse of existing nonresidential buildings.		PD/HRD	6 months		Identification of buildings with potential for reuse	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.1.11	Consider establishing a program that would allow Transfer of Development Rights within the residential zones for use by owners of properties which have site constraints.		PD	6 months		Proposed Ordinance that allows TDR and the protection of environmentally sensitive sites.	General Fund
4.1.12	Request the Housing Authority to develop or acquire 3+ bedroom units.	Ongoing	HRD	Ongoing			
4.2.1	Continue to provide information to developers and property owners regarding cost effective means of incorporating energy conservation and solar energy design features.	Ongoing	LUC/PD	Ongoing		Promote energy conservation	General Fund
4.2.2	Continue to publish and distribute the City's Solar Design Guidelines.	Ongoing	PD	Ongoing		Promote energy conservation	General Fund
4.2.3	Implement strategies adopted by City Council as part of the Integrated Waste Management Plan.		PW			Promote resource conservation	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.3.1	Continue to provide the reduced parking requirement for senior housing projects in combination with bonus densities.	Ongoing	PD	Ongoing		4 projects or 30 units/yr	General Fund
4.3.2	Adopt site and unit design guidelines for senior and disabled units.		PD	6 months	$30,000	Assist designers in developing more functional units.	General Fund
4.3.3	Encourage the development of senior apartments which are affordable to very low income seniors.	Ongoing	HRD/PD	Ongoing	$500,000/yr	20 units/yr	RDA, HOME, CDBG, Federal tax exempt financing, CRA loans, Tax credits
4.4.1	Identify potential sites throughout the City and evaluate the feasibility of using CDBG, RDA or other funds to acquire identified sites.	Ongoing	HRD	Ongoing	$1 million	2 sites/yr	RDA, HOME, CDBG, Federal tax exempt financing, CRA loans, Tax credits

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.4.2	Where feasible, make available surplus City owned land for the purpose of the development of affordable housing.	Ongoing	HRD	Ongoing	Unknown	Obtain additional land for affordable housing	RDA, HOME, CDBG, Federal tax exempt financing, CRA loans, Tax credits
4.4.3	Inventory all land in the City owned by County, State and Federal governments, the Santa Barbara School and High School Districts and public utilities and actively pursue its acquisition for the development of low and moderate income housing.		HRD	5 years	Unknown	Obtain additional land for affordable housing	Unknown
4.4.4	Pursue relocation of the National Guard and Army Reserve in order to obtain land for housing, park, school or other public benefits.		HRD	5 years	Unknown	Obtain additional land for affordable housing	Unknown

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.4.5	Seek voluntary offers to record an agreement offering the City first right of refusal to buy residential and commercial land owned by nonprofit organizations or public utilities.	Ongoing	HRD	Ongoing	None	Obtain additional land for affordable housing	N.A.
4.4.6	Continue to require nonprofit organizations that receive funding from the City to record an agreement offering the City first right of refusal to buy residential and commercial land they own, prior to its disposition.	Ongoing	HRD	Ongoing	None	Obtain additional land for affordable housing	RDA
4.4.7	Consider creation of Mortgage Credit Certificate Program as authorized by Federal and State law.		HRD	3 years	Local: $90,000/yr, Federal: $30,000/yr	50 households per year	Federal income tax, RDA

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.4.8	Identify potential Single Room Occupancy (SRO) projects and assist in obtaining funding. Pursue financing through the Redevelopment Agency for any project in the Redevelopment Area.	Ongoing	HRD	Ongoing	$400,000/yr	10 units/yr	State, CDBG, RDA, HOME, Tax exempt financing, Federal, CRA loans
4.4.9	Continue support for limited and nonequity cooperative conversion projects and coordinating technical assistance to private sponsors interested in such conversions.	Ongoing	HRD	Ongoing	$100,000/yr	10 units/yr	Federal repayment, RDA, HOME, SEMP, CRA loans
4.4.10	Identify and support projects in applying for State funding for tenant purchase of mobile home parks.	Ongoing	HRD	Ongoing	$1 million	Fund 1 project	State, RDA, CRA loans
4.4.11	Continue to support and encourage the real estate lending programs of local financial institutions.	Ongoing	HRD	Ongoing	$40,000/yr	Fund 3 projects/yr with combined Agency/bank funds	RDA, Private

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.4.12	Continue to explore the feasibility of cooperating with major employers in Santa Barbara County to use pension funds as a source of mortgage capital.	Ongoing	HRD	Ongoing	$10,000	Provide affordable homeowner opportunities	Pension funds
4.4.13	Continue the use of RDA tax increment funds to assist sponsors in developing low and moderate income housing opportunities.	Ongoing	HRD	Ongoing	$2 million/yr	50 units/yr	RDA
4.4.14	Continue the use of CDBG funds to share in paying for costly site improvements for low and moderate income housing.	Ongoing	HRD	Ongoing	$50,000	10 units/yr	CDBG
4.4.15	Identify and support developers in applying for State, Federal, and private foundation resources to finance affordable housing.	Ongoing	HRD	Ongoing	$20,000/yr	1 application/yr	RDA
4.4.16	Consider establishing a homeownership program for those households that earn between 120% and 150% of the median income.		HRD	1 year	$10,000	Analysis of proposal	RDA

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.4.17	Continue the use of Housing Mitigation Ordinance funds to assist sponsors in the development of low and moderate income housing.	Ongoing	HRD	Ongoing	$50,000/yr	2 units/yr	Housing Mitigation Funds
4.4.18	Consider establishing a program that would make low interest loans for down payment assistance for the purchase of market rate housing.		HRD	1 year	$400,000	20 households assisted	RDA, CRA loans
4.4.19	Expand loans and grants for predevelopment costs and public improvement costs of affordable housing projects.		HRD	3 years	$1 million	Funding of improvements for 1 project. Funding of predevelopment of 5 projects.	RDA, HOME, SEMP, Tax exempt financing, State
4.4.20	Encourage the Federal Government to provide more Section 8 Certificates.		HRD	2 years	$5,000	Additional Section 8 funding	RDA, Housing Authority reserves, Private

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.4.21	Encourage the expansion of a private sector funded program which makes loans to renters for first and last month's rent and security deposit.		HRD	6 months	$25,000	20 additional households assisted	Private, Housing Authority reserves, RDA
4.4.22	Initiate a study to explore the possibility of a deed transfer tax.		CAO/Finance/ HRD	6 months		Feasibility analysis of a deed transfer tax	General Fund
4.4.23	Support efforts to form a consortium to facilitate the financing of affordable and special needs housing developments.		HRD/PD	9 months	$25,000	Formation of lender consortium	RDA, General Fund, CRA loans
4.4.24	Consider assisting City employees, especially public safety employees, to obtain housing within the City.		HRD/City Administrator's Office		$400,000	10-20 employees assisted	RDA, CRA loans, Tax exempt financing, State
4.5.1	Seek funding to create and fund technical assistance programs for builders wishing to construct or convert housing for the disabled.		HRD	1 year	$50,000	Training program established	RDA CDBG, General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
4.6.1	Support fund raising activities for operational and service needs (such as child care and job training) of homeless shelter and service providers.		HRD/HSD	2 years	$100,000	Shelter services for 70 persons	CDBG, General Fund, RDA, Federal, Private
4.6.2	Encourage the creation of a fund for victims of personal catastrophic circumstances which reduce income to levels which result in homelessness.		HRD	2 years	$50,000	25 households assisted	CDBG, RDA, Federal, General Fund
4.7.1	Monitor and report semiannually the number of dwelling units which are being constructed, converted and demolished.	Ongoing	PD	Ongoing		Monitor net increase in residential units	General Fund
4.7.2	Begin public process to discuss the nature and extent of future residential growth when the number of dwelling units reaches 39,000.	Unknown	PD	1 year		Community involvement in residential growth decisions	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
	5. REDUCE GOVERNMENTAL CONSTRAINTS						
5.1.1	Develop and maintain a system for use of the City's Master Environmental Assessment Document as a means of expediting the environmental review process.	Ongoing	PD	Ongoing		Decreased processing time without compromising environmental standards	General Fund
5.1.2	On an ongoing basis, evaluate the current development review system and make recommendations for methods of improvement.	Ongoing	PD	Ongoing		Regulatory relief when appropriate	General Fund
5.1.3	Give priority to affordable housing projects on Committee/Commission agendas.	Ongoing	PD	Ongoing		Expedite the development review process for affordable housing projects	General Fund
5.1.4	Give priority to affordable housing projects in plan check prior to issuance of building permits.	Ongoing	LUC	Ongoing		Expedite the development review process for affordable housing projects	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
5.1.5	Continue to provide preapplication reviews to assist developers of all affordable housing projects.	Ongoing	HRD/PC	Ongoing	$25,000	Expedite the development review process for affordable housing projects	RDA
5.2.1	Review and adopt mixed use standards and incentives in commercial zones.		PD	6 months		Incentives for mixed use developments	General Fund
5.2.2	Hold an annual public meeting to solicit feedback on regulatory barriers to the development of affordable housing.	Annually	PD	3 months		Identification of regulatory barriers	General Fund
5.2.3	Continue to allow secondary dwelling units through the CUP section of the Zoning Ordinance.	Ongoing	PD	Ongoing		Unpredictable due to the number of variables	General Fund
5.2.4	Amend the Zoning Ordinance to apply variable density to R-O, C-1, C-2 and C-M Zones.	Completed				10 units/yr	

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
5.2.5	Consider amending the Zoning Ordinance, following further study, to allow R-2 lots with 5,000-6,000 s.f. to be eligible for duplex development.		PD/CAO	6 months		10 units/yr	General Fund
5.2.6	Consider amendments to the PUD Ordinance to allow development as apartments, configured as 2-story flats and to allow for up to 25% bonus density.	FY 92-93	PD/CAO	6 months		5 units/yr	General Fund
5.2.7	Eliminate CUP requirements for four or more units in the R-2 Zone.	FY 92-93	PD/CAO	6 months		Cost savings and regulatory relief	General Fund
5.2.8	Revise open space requirements for R-2 developments that involve four or more units.	FY 92-93	PD/CAO	6 months		Provision of adequate open space	General Fund
5.2.9	Allow flexibility in how the 1,250 s.f. open space is provided for all R-2 lots.	FY 92-93	PD/CAO	6 months		Flexibility in site design	General Fund
5.2.10	Reduce minimum dwelling unit size to 400 s.f. for all types of units.	FY 92-93	PD/CAO	6 months		Regulatory relief	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
5.2.11	Require one covered and one uncovered parking space for more than one SFR on a single lot.	FY 92-93	PD/CAO	6 months		Increased open space, regulatory relief and cost savings	General Fund
5.2.12	Allow apartment and affordable condominium developments to be served by a single water meter for interior uses with on-line meters.	FY 92-93	PD/CAO	6 months		Cost savings	General Fund
5.2.13	Explore revisions to CEQA.		PD/CAO	6 months		Reduction of processing time without compromising environmental standards	General Fund
5.2.14	Encourage federal and state governments to assist in the production of residential development.	Ongoing	HRD	Unknown		Increased State and Federal funding	RDA
5.2.15	Designate a Staffperson to make the facilitation of affordable housing applications a high priority.	Ongoing	HRD	Ongoing	$15,000	Staffperson designated and functioning in this role	RDA

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
5.2.16	Reduce off street parking requirements for low and very low income rentals.	FY 92-93	PD/CAO	6 months		Establish parking requirements based on parking demand, increased open space	General Fund
5.2.17	Exempt low and very low income rental duplexes from the requirement to provide covered parking.	FY 92-93	PD/CAO	6 months		Increased open space and cost savings	General Fund
5.2.18	Consider amending the ABR and LMC guidelines to clarify policies concerning the review of affordable housing developments.	FY 92-93	PD/CAO	6 months		Policy consistency and potential for cost savings	General Fund
	6. REGIONAL COOPERATION						
6.1.1	Continue to work with SBCAG to equitably distribute the regional housing need, and request SBCAG to prepare an annual monitoring report.	Ongoing	PD	Ongoing		Regional coordination	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
6.1.2	Encourage and support the County's efforts to address the special housing needs of farmworkers.	Ongoing	HRD/PD	Ongoing		Identify funding sources and sites	RDA
6.1.3	Continue coordination with the County to maintain uniform affordability criteria.	Ongoing	HRD	Ongoing		Regional coordination for consistent criteria and standard referral procedure	RDA
6.1.4	Explore joint housing development opportunities, such as mobile home parks, with the County of Santa Barbara and the City of Carpinteria.		HRD	3 years	$10,000	Regional coordination	RDA
6.1.5	Explore the possibility of joint Planning Commission meetings with the County and other jurisdictions.	Ongoing	PD	Ongoing		Regional coordination	General Fund
6.1.6	Coordinate with MTD for the provision of public transportation to new housing developments	Ongoing	PD/HRD	Ongoing		Increased access to public transportation, reduced number of vehicle trips	General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
6.2.1	Explore opportunities for joint City/County applications for Federal and State housing assistance programs.		HRD	2 years		Regional coordination	RDA
6.2.2	Continue exploration of the potential creation of a South Coast housing agency to coordinate programs and resources.	Ongoing	HRD	Ongoing	$10,000	Regional coordination	RDA
6.2.3	Cooperate with the County on issuance of tax exempt bonds to provide financing for first time home buyers.		HRD		Local: $150,000/yr, Federal: $4 million/yr	20 units/yr, Regional coordination	RDA, Tax exempt financing
			7. PUBLIC EDUCATION				
7.1.1	Encourage broad based support in the community for the siting and permitting of affordable housing projects, senior housing, homeless shelters, and group homes for persons with disabilities or fatal diseases.	Ongoing	HRD/PD	Ongoing	$10,000/yr	Increased support for housing projects, decreased resistance	RDA, General Fund

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
7.1.2	Cosponsor a workshop that focuses on the emotional and structural attitudes that limit and prohibit the production of affordable housing, senior housing, homeless shelters, and group homes for persons with disabilities or fatal diseases.		HRD/PD	1 year	$3,000	One day workshop	RDA, General Fund
7.1.3	Use public access television to provide information on affordable housing.		HRD, Government Access		$5,000	Produce two 30 second commercials to air one hour total (120 times) per year	RDA
7.1.4	Increase the use of Public Service Announcements to provide information on available resources and housing opportunities.		HRD, Government Access		$5,000	Produce two 15 second commercials to air one hour total (60 times) per year	RDA
7.1.5	Provide information to potential developers regarding the need for large (3+ bedroom) units.	Ongoing	PD/HRD				

TABLE 35 SANTA BARBARA'S FIVE YEAR HOUSING PROGRAM

Strategy	Description (Condensed)	Schedule	Responsible Agency	Time	Budget Estimate	Anticipated Outcome	Potential Funding Source
7.2.1	Publicize the availability of California income tax deductions to those persons rehabilitating property for handicapped access.		LUC			Remove barriers and publicize tax benefits	CRA loans
7.2.2	Continue to publish and distribute a resource guide to inform consumer households of available housing opportunities and community programs.	Ongoing	HRD		$2,000/yr	Disseminate information to special need households	RDA
7.2.3	Continue to provide information and limited technical assistance to property owners concerning compliance with Title 24 regulations (the standards for accessibility by the disabled).	Ongoing	LUC	Ongoing		Promote accessible dwelling units	General Fund

SECTION IX

COASTAL HOUSING

The parts of the City which are south of U.S. 101 and State Highway 225 (Cliff Drive) are included in the Coastal Zone. The City's policies on redevelopment, preservation, and condominium conversions have limited impacts on affordable housing and increased opportunities for replacement and additional affordable housing.

1. Twenty-eight (28) new units were approved for construction in the Coastal Zone after January 1, 1982 (0 were replacement units). In addition, 156 hotel rooms at the El Escorial were converted to condominium dwelling units.

2. Twenty-four (24) units for low and moderate income households were required to be provided as a result of projects approved either within the Coastal Zone or within three miles of it.

3. Eighteen (18) units were occupied by low and moderate income households and were authorized to be demolished or converted in the Coastal Zone since January 1, 1982.

4. One (1) unit for low and moderate income households was required either within the Coastal Zone or within three miles, in order to replace those being demolished or converted.

GLOSSARY OF TERMS FOR THE CITY OF SANTA BARBARA'S 1992 HOUSING ELEMENT

This glossary contains definitions for a short list of terms used in the Housing Element. Some of the definitions and terms are unique to the City of Santa Barbara. Others are standard housing terms used consistently in most Housing Elements. This list of terms is not meant to be exhaustive. The list is provided to assist readers who may be unfamiliar with local and statewide housing issues.

Affordable Housing:

A residential unit which is generally affordable to households with low and moderate incomes. The residents generally should not be required to pay more than 30% of their gross monthly income on rent or house payments.

Annexation:

The incorporation of a land area into an existing City, e.g. Santa Barbara, with a resulting change in the boundaries of that City.

Approved Projects:

Proposed development projects which have received discretionary approval such as ABR or Planning Commission approval, but have not received a building permit.

Area Median Income:

The figure from which eligibility for very low, low and moderate income housing is calculated. The area median income is revised periodically by the U.S. Department of Housing and Urban Development. For FY 92-93, the area median income for Santa Barbara County is $49,200 for a household of four.

Bonus Density:

Additional development which is permitted to be built on a property beyond what is allowed by the current zoning of that property. Projects including bonus density units are required by the City to contain affordable units.

Buildout:

The point at which the total number of dwelling units that exist is equal to the total number of dwelling units that is allowed by the Zoning Ordinance. Santa Barbara will be built out when the number of dwelling units reaches approximately 40,000 units.

Downzoning:

A reduction of the maximum intensity or density of a use permitted on a parcel through changes in the Zoning Ordinance. Downzoning may include the imposition of more rigid construction standards, limitation on size or number of units or restrictions on allowed uses.

Environmental Impact Report (EIR):

A detailed statement prepared under the California Environmental Quality Act (CEQA) describing and analyzing the significant environmental effects of a project and discussing ways to mitigate or avoid the effects.

Floor Area:

Floor area is the area included within the surrounding exterior walls of a building or portion of a building, exclusive of the area occupied by the surrounding walls, vent shafts and courts, or areas or structures used exclusively for parking. Nonhabitable areas used exclusively for regional public utility facilities shall not count toward the calculation of floor area.

Floor Area Ratio (FAR):

The FAR is expressed as the ratio of floor area to total square footage of a parcel. FAR's indicate the maximum intensity of development on a parcel (e.g., if there are 2,000 square feet of building area on 1,000 square feet of land, the FAR is 2.0).

General Obligation Bond:

A bond issued to finance some public acquisition or improvement which is backed by the full faith and credit of the General Fund even if repayment is made from project revenues.

Granny Units:

(See Secondary Dwelling Units).

Illegal Units:

A building or portion thereof designed or occupied for residential purposes including one family, two family, and multiple family dwellings which has not received the proper discretionary approvals and/or building permits or may not meet the zoning code requirements necessary for the structure.

Inclusionary Affordable Housing Requirements:

A requirement that a specific percentage of the units in a new housing development be reserved for occupancy by low and/or moderate income households only.

Infill Area:

Scattered vacant sites within a developed area, or unincorporated areas or "islands" adjacent to or surrounded by the incorporated city.

Infrastructure:

Facilities and services, such as streets, parking lots, water lines, libraries, schools, parks, Police and Fire Departments needed to sustain industry, residential and commercial activities.

Legally Nonconforming:

Structures or uses that were legally built and met zoning requirements at the time of construction but do not meet current zoning requirements due to subsequent changes in the code.

Limited Equity Cooperatives:

A form of real property ownership in which individual owners purchase shares in a nonprofit corporation that holds title to the property, and in which appreciation in value of the share is limited by law.

Low Income Household:

A household whose annual income is between 50% and 80% of the area median income. The area median income is revised periodically by the U.S. Department of Housing and Urban Development. For FY 92-93, a household in Santa Barbara earning between $24,601 and $38,600 is considered to be low income. (See Area Median Income)

Measure E:

A ballot measure passed by the voters in November 1989, which instituted City Charter Section 1508. This section limits commercial development in Santa Barbara to 3 million square feet until 2010.

Measure K:

A ballot measure passed by the voters in November 1982, which instituted City Charter Section 1507. This section declares as policy that the City's land development shall not exceed its public services and physical and natural resources. It further provides that all land use policies shall provide for a level and balance of residential and commercial development that will not exhaust the City's resources in the foreseeable future.

Median Household Income:

The median household income is the middle value of all household incomes. One half of all households earn more than the median income, and one half of all households earn less than the median income. Also referred to as median income or median household income.

Mitigation Measures:

Measures outlined in an environmental document that would minimize the significant environmental effects of a proposed project.

Moderate Income Household:

Households who annual income is between 80% and 120% of the area median income. The area median income is revised periodically by the U.S. Department of Housing and Urban Development. For FY 92-93, a household in Santa Barbara earning between $38,601 and $59,050 is considered to be moderate income. (See Area Median Income)

Open Space:

That portion of the City (or of a smaller scale parcel) which has not been built over and which is generally sought to be preserved as open space for agricultural or outdoor recreational use.

Overcrowded Conditions:

The U.S. Department of Housing and Urban Development defines overcrowding as 1.01 or more persons per room per unit. Rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year round use, and lodger's rooms. Excluded are strip or pullman kitchens, bathrooms, open porches, balconies, halls or foyers, half-rooms, utility rooms, unfinished attics or basements, or other unfinished space used for storage. A partially divided room is a separate room only if there is a partition from floor to ceiling, but not if the partition consists solely of shelves or cabinets.

Overriding Considerations:

A statement or finding which is required when a decision maker approves a project with one or more significant unavoidable environmental impacts which cannot be, or are not proposed to be mitigated or reduced to a level below significant. The benefits of the project which relate to social, economic or other such factors above and beyond required development standards are determined to outweigh the environmental impacts and are therefore considered acceptable.

Pending Projects:

Proposed development projects which have been accepted for discretionary review, but have not been approved. This may also include portions of approved Specific Plans which have not received development plan approval.

Peripheral Commuter Lot:

A parking lot located on or near the fringe of a commercial district which is reserved for employees who commute by car to work in that district.

Redevelopment Area:

A legally defined zone within which the Redevelopment Agency may implement redevelopment projects based upon criteria set by the Federal Government.

Residential Permit Parking Program:

The regulation of on street parking to give preferential parking privileges to residents of a neighborhood which is impacted by other parking demands.

Secondary Dwelling Unit:

An additional small residential unit which is attached to an existing single family dwelling in a single family zone. Sometimes referred to as a granny unit.

Specific Plans:

A document which defines, in more detail than the Zoning Ordinance or General Plan, the type, location and intensity of development which is appropriate to a particular site. Specific Plans are typically used when the amount and type of development on a site requires a balancing of benefits and impacts when offsets are to be provided to balance site constraints and opportunities and to coordinate public improvements. Specific Plans are legislative acts which run with the land.

Study Point 2:

Created for the purposes of study in Phase IV of the General Plan Update Public Participation process. This point equals the nonresidential development associated with alternative B from Phase III of the General Plan Update. This point also equates to the outer edge of the Study Area Bracket and represents 3.0 million square feet of nonresidential development potential above the baseline condition, and residential development potential of 4,253 units above the baseline condition. This growth scenario was approved by City Council, and voters added it to the City's Charter as Charter Section 1508.

Tax Increment:

Those tax allotments above a defined tax base level within a redevelopment project area which go to the Redevelopment Agency for its use.

Threshold:

The point at which a project's impact becomes significant and mitigation measures to reduce the impact below the threshold level are required or a statement of overriding considerations must be made.

Transfer of Development Rights (TDR):

The transfer of potential development rights from one property to another resulting in a permanent reduction in development potential on the "sending" site and an increase in density on the "receiving" site.

Transfer of Existing Development Rights (TEDR):

The transfer of existing development rights from one property to another resulting in a permanent reduction in development on the "sending" site and an increase in density on the "receiving" site.

Transitional Areas:

In the City, transitional areas are generally categorized as neighborhoods where housing exists in commercially zoned areas.

Variable Density:

Applicable in the R-3 and R-4 zones, this zoning provision allows for density to be established based on the number of bedrooms proposed as well as the lot area. Variable density allows more units to be built on a lot if the units are smaller in size, based on the

number of bedrooms. As of June, 1992, variable density can be applied in the C-1, C-2, C-M and R-0 zones.

Very Low Income Household:

A household whose annual income is less than 50% of the area median income. The area median income is revised periodically by the U.S. Department of Housing and Urban Development. For FY 92-93, a household earning in Santa Barbara less than $24,600 is considered to be very low income. (See Area Median Income)

Zones:

Single Family Zones (A-1, A-2, E-1, E-2, E-3 and R-1):

Residential districts of low density in which the principal use of land is for single family dwellings.

[R-2] A two family residential zone generally allowing only one and two family dwellings.

[R-3] A limited multiple family residence zone allowing one, two and multiple family dwellings.

[R-4] A hotel/motel multiple family residence zone allowing hotels or motels, bed and breakfast inns, one, two and multiple family dwellings.

[C-O] A medical office zone allowing residential and medical office uses including Cottage Hospital and St. Francis.

[R-O] A transitional zone between commercial zones and residential zones, suitable for office or residential uses.

[C-2] A general commercial zone allowing residential, retail, office and limited wholesale uses. These uses may include department stores, furniture warehouses or restaurants.

[C-M] A commercial manufacturing zone allowing residential, office, retail or light manufacturing uses. These uses may include a automobile body shop, lumber yard or storage warehouse.

[M-1] A light manufacturing zone allowing manufacturing, retail and office uses but not residential uses.

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